



Precious Shipping Public Company Limited

ANNUAL REPORT 2024

(FORM 56-1 ONE REPORT)

VISION & MISSION STATEMENT

To be the most distinguished Shipping Company in the world, providing an exemplary level of services and solutions to facilitate global trade.

CORE VALUES



Integrity



Innovation



Sustainability



Tradition



Safety





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BOARD OF DIRECTORS' REPORT



Mr. Chaipatr Srivisarvacha

Chairman of the Board of Director

TO THE SHAREHOLDERS:

The directors are pleased to present the 36th Annual Report of the Company along with the Audited Financial Statements as on 31 December 2024.

4th Quarter 2024/Annual Financial Performance (US Dollar Terms)

The results, audited by EY Office Ltd., show you the latest financial position of Precious Shipping Public Company Limited and its subsidiaries ("the Company"). The earnings per day per ship during Q4 came in at USD 12,177, bringing the annual figure to USD 12,700. Please look at the Market Segmentation report that shows you the relative performance of the PSL fleet's earnings per day per ship compared to the Index ships.

In the current quarter, daily operating costs for ships were USD 5,382, exceeding the annual target of USD 5,200. The full-year 2024 average was USD 5,293, higher than both the target and the USD 5,205 recorded in the prior year.

The EBITDA for Q4 was USD 19.50 million, while for the full year, it was USD 82.60 million. In Q4, we achieved a net profit of USD 7.33 million, with earnings per share of Baht 0.16. For the year 2024, we recorded a net profit of USD 41.31 million, with earnings per share of Baht 0.94.

THE HARD FACTS	2024	2023	Q4 2024*	Q4 2023*
Highest earnings per day per ship in USD	27,210	26,546	16,655	26,546
Average earnings per day per ship in USD	12,700	10,907	12,177	12,429
Av. earnings per day per Handy size ship in USD	11,698	10,280	11,532	11,414
Av. earnings per day per Supramax ship in USD	12,983	10,638	11,920	12,607
Av. earnings per day per Ultramax ship in USD	15,102	12,856	14,329	14,890
Av. earnings per day per Supramax/Ultramax ship in USD	14,024	11,682	13,124	13,682
Operating cost per day per ship in USD	5,293	5,205	5,382	5,332
EBITDA in million USD	82.60	63.81	19.50	20.70
Net Profit (Loss) in million USD excluding exchange gain (loss) and non-recurring items	36.03	18.97	6.63	9.14
Net Profit (Loss) in million USD	41.31	20.35	7.33	7.03
Earnings (Loss) Per Share in Thai Baht excluding exchange gain (loss) and non-recurring items	0.82	0.42	0.15	0.21
Earnings (Loss) Per Share in Thai Baht	0.94	0.46	0.16	0.16

*Derived numbers



Mr. Khalid Moinuddin Hashim

Managing Director

Financial Highlights (Thai Baht Terms) and Review of the Year:

The Company reported a net profit of Baht 1,468.28 million (2023: Baht 709.60 million), with total revenues of Baht 6,267.15 million (2023: Baht 5,192.98 million), in the year under review. The shareholders' equity was Baht 16,863.53 million (2023: Baht 16,245.75 million), while total assets amounted to Baht 26,208.28 million (2023: Baht 24,345.82 million). The average number of vessels operated by the Company in 2024 and 2023 was 37.81 vessels and 38 vessels, respectively.

The Company's vessels achieved an average time charter equivalent rate of USD 12,700 per day per vessel in 2024, higher than the average rate of USD 10,907 per day per vessel in 2023. As a result, the net vessel operating income (net of voyage disbursements and bunker consumption) in Thai Baht terms was 18% higher than the previous year.

The average vessel running cost per day per vessel increased from USD 5,205 in 2023 to USD 5,293 in 2024, primarily due to higher dry-docking and special survey expenses. Absolute vessel running expenses in Thai Baht terms, increased by about 0.44%. The average technical downtime was 12 days per vessel, as 17 vessels underwent dry-docking and special surveys during the year.

We conducted an 'in-house' exercise again this year to determine the total return to shareholders, calculated over the 31 years that we have been operating as a listed entity. Based on the closing share price of Baht 8.55 per share on 16 September 2024 (our first day of trading on the SET was 16 September 1993) and assuming you had subscribed at the IPO, at the end of 31 years, you would have obtained a 15.72% IRR on your initial investment. This return does not assume any re-investment of the dividends into shares or any interest on the dividends received.

To keep things in perspective with regards to PSL, we would like to highlight the annual net profit/loss over the past few years.

Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Av. BDI	1,206	1,105	719	673	1,145	1,353	1,353	1,066	2,943	1,934	1,378	1,755
Net Profit (loss) \$m	17.49	(2.54)	(69.41)	(75.61)	(3.76)	14.10	(7.25)	(40.80)	136.96	138.61	20.35	41.31
Av. No. of Ships	38.93	41.66	45.46	40.29	36.02	36	36	36	36	36.99	38	37.81
Net Profit (loss) / Ship \$m	0.45	(0.06)	(1.53)	(1.88)	(0.10)	0.39	(0.20)	(1.13)	3.80	3.75	0.54	1.09

During the abysmally low market period of 2015 and 2016, we managed to keep costs under tight control; raised about USD 65 million from our shareholders via a rights offering in early 2015; raised USD 100 million from a 5 year unsecured bond in January 2016; raised USD 55 million from a 3.5 year unsecured bond in December 2016; reduced finance costs by prepaying many of our secured loans coming due in 2018 and 2019; sold our older and inefficient ships to raise further cash (15 ships recycled in 2015 - 2016 and 2 older ships sold in 2016 - 2017 for further trading). In 2018, we fully prepaid one loan facility, thereby releasing three vessels from their mortgages. In 2019, we fully prepaid another loan facility and released two more vessels from their mortgages. To mitigate the deleterious impact of Covid-19 in 2020, we extended USD 124 million of indebtedness on our two outstanding bonds by 1.5 years, received USD 40.5 million through a settlement agreement with Sainty Shipyard, and received ~USD 26.55 million of gross proceeds through a 12-month advance charter-hire agreement with a customer. In 2021, we redeemed our two outstanding bonds well before the amended maturity dates and raised USD 133.45 million through the signing of three new loan facilities. In 2022, we raised USD 17.10 million through the signing of one new loan facility and prepaid two loan facilities, thereby releasing two vessels from their mortgages. Total loan repayments for the year were USD 69.44 million. In 2023, we signed six loan agreements for a total of USD 244.05 million, of which we have drawn USD 105.15 million. We prepaid and repaid loans of USD 67.74 million. In 2024, we signed four loan agreements for a total of USD 70.58 million, prepaid and repaid loans of USD 67.80 million and became the first Asian Shipping Company to issue Sustainability-Linked Bonds in the amount of Baht 1,360 million (equivalent to USD 40.76 million on issuance date). As of 31 December 2024, the Company has undrawn loans aggregating USD 127.67 million, with availability periods of up to 15 months.

At the end of 2024, our fleet comprised 40 ships on the water - 8 Ultramax, 8 Supramax, 20 Handysize and 4 Cement carriers - with an aggregate capacity of 1,737,504 DWT, averaging 43,438 DWT per ship and an average age of about 12 years. In addition, we have 4 Ultramax vessels on the orderbook.

Awards and Honors:

- Won Best Sustainability-Linked Bond – Transportation at The Asset Triple A Sustainable Finance Awards 2025.
- Won Climate Action Leading Organization (CALO) Award 2024 from Thailand Greenhouse Gas Management Organization (TGO).
- Received Carbon Neutral certification from TGO for the years 2022 and 2023.
- Received Carbon Footprint for Organization certification from TGO for the years 2022 and 2023.
- Achieved AA rating in the Stock Exchange of Thailand's ESG Rating exercise for 2024.
- Included in the Stock Exchange of Thailand's Thailand Sustainability Investment (THSI) list for the fourth consecutive year.
- Classified as a company with "Excellent" Corporate Governance for 15 consecutive years (2010–2024) by Thailand's Institute of Directors & the National Corporate Governance Committee.
- Earned a perfect 100 AGM assessment score for seven consecutive years (2018–2024) by the Thai Investors Association (TIA).
- Ranked in the top 12% of global listed transportation companies in the S&P Corporate Sustainability Assessment (CSA) rankings for 2024.

Market Segmentation for 2024:

During 2024 the Baltic Handy Size Index (BHSI) averaged 703 points, as derived from an average Time Charter (TC) rate of USD 12,657 per day. In comparison, our Handy size fleet earned USD 11,698 and underperformed the BHSI TC rate by 7.58%. During 2024 the Baltic Supramax Index (BSI) averaged 1,241 points, as derived from an average TC rate of USD 13,601 per day. In comparison, our Supra/Ultra fleet average earnings were USD 14,024 per day and outperformed the BSI TC rate by 3.11%. Our target has been to outperform both the indices.

Long Term versus short term Charters:

The long-term charters, of about 1 year, are shown in the chart below. As can be seen, our forward four-year rolling book is currently at the 24.5% level with a visible revenue stream of USD 217.80 million.

Year	2024	2025	2026	2027	2028
Total Available Days	13,839	14,600	14,600	14,600	14,640
Fixed T/C Days*	6,043	3,873	2,108	1,825	1,464
%age Fixed T/C Days	44%	27%	14%	13%	10%
Av. T/C Rate/Day in** USD	13,958	14,065	14,454	14,550	15,000
Contract value in million USD	84.35	54.47	30.47	26.55	21.96

* This comprises five ships on fixed rate time charter and 17 ships on variable rate time charter.

** Average T/C Rate/Day for the variable rate charters is estimated based on rates prevailing in January 2025 for future earnings and actual earnings for past earnings.

It is our intention to continue to charter our ships on long-term contracts whenever practical and economically viable.

SET Opportunity Day:

The number of online participants attending PSL's live presentation of Q3/2024 results on November 6, 2024, was 692 on the SET website/YouTube and 93 on Facebook, for a grand total of 785. We hope that many of you will join [our next SET Opportunity Day](#) on 24 February 2025 at 15:15 hours, Thailand time, via electronic means when we will be able to discuss our Q4 results in greater detail.

Update on the Chayanee Naree drug smuggling incident:

The trial against the Vessel and the 10 crew members commenced in the Federal High Court of Nigeria in July 2022. The prosecution concluded their case in July 2023, after which we filed our no-case submissions. The Court hearing took place on 4 December 2023 for oral arguments on our no-case submissions. On 20 February 2024, the Court rejected our no-case submissions, ruling that there is a case to answer due to drugs being found on board the vessel. Consequently, the defendants are required to file their defense and proceed to a full trial. As a result, we are required to file our defense and proceed to a full trial. The defense trial commenced with a three-day hearing from 8–10 October 2024, featuring two witnesses and submitted documents. Postponed from January 2025, the next hearing is set for 5–7 March 2025. Meanwhile, on 4 March 2024, the Group's legal team filed an appeal against the no-case ruling, currently under review by a panel of three judges. The Company continues to work closely with its insurance company and legal counsel to ensure that the case is fully resolved as early as possible.

Disruptive Shipping Chokepoints:

According to Clarksons, 24% of world trade passes via the Malacca Straits; 11% via the Straits of Hormuz; 9% via the Suez Canal; 4% via the Danish straits/entrance to the Baltic Sea; 3% via the Bosphorus in Turkey to enter the Black Sea; and 3% via the Panama Canal. As geopolitics and climate change have an even greater impact than ever before, it will be important to keep a close watch on these disruptive chokepoints.

PSL's Fleet Renewal:

We sold 3 older, non-eco engine ships during 2024, and replaced them with 5 younger, eco-engine ships, of about 40K DWT each. The 6th ship that was to join our fleet before the end of 2024 got excessively delayed and we cancelled her and got our deposit returned with interest. In the meantime, we have announced the sale of a 4th older, non-eco engine ship with delivery to the new owner scheduled before the end of Q1 2025. We will continue to sell our older, non-eco engine ships and replace them with larger ships, with eco-engines, that are under 10 years of age. The four conventionally fueled Ultras ordered at Taizhou Sanfu shipyard in China are scheduled for delivery during 2026 – 2027 and will be the lowest fuel consuming ships of this size on the

water. Our renewal plan is to continue to dispose of older non-eco engine ships and replace them with younger, larger, eco-engine ships. This will reduce the average age of the fleet as well as reduce the grams of CO2 per ton-mile of cargo carried and allow us to meet our sustainability goals that we have declared elsewhere in this report. This planned fleet renewal will allow us time to wait for clarity on future decarbonization regulations, clarity on the mix of green fuels of the future and avoid the expensive trap that many first movers have fallen into.

The ‘Dali’ Accident at Baltimore:

Container ships are going to bear the brunt when reinsurance costs go up by about 24% as needed by the IG to cover the expected bills from the Dali incident. If the owners of Dali can limit their liability to \$44m under US law, that would make such extraordinary increases in expected premiums fade away in the morning light as you wake up from a nightmare. For the next year, however, all container ships will be hit with an increase in insurance premiums in the order of 12 to 20% magnitude to recover the expected losses that will eventually be paid out on this claim. Given the scale of the damage, the volume of repairs needed to get the ship back in tip-top condition was significant. The Dali arrived at Fujian Huadong Shipyard on 12 November 2024, and two months later, it was able to depart the yard to begin its sea trials on 12 January 2025. The ship had been out of service since 26 March 2024, and was on charter to Maersk at the time the collision took place. It appears that Maersk will continue the charter despite the ship being off hire for almost 10 months. The sister ship, Maersk Saltoro built in 2015, experienced on 13 January, while on route from San Antonio, Chile to Nansha New Port in China, a technical issue with her main engine. Repairs are currently underway in close consultation with the engine manufacturers and are progressing steadily. Technicians from the engine makers are en-route and are expected to board the vessel shortly, with the vessel anticipated to resume her voyage soon thereafter. The Saltoro was due to arrive in China on January 19, providing time to offload the cargoes before the Chinese New Year Holiday on January 29.

Crystal Ball Gazing, 2025 and Beyond:

Year of the Snake:

HSBC economists had this to say about the Chinese New Year, and people born therein. “People born in the Year of the Snake, it is said, enjoy wisdom, charm, and strong intuition. Asia will need plenty of these to navigate all the looming economic shoals in 2025. Trade, for example, looks set for a shake-up: after a year of record shipments, payback looks inevitable. More consequential will prove new tariffs imposed by the US on its trading partners, although much depends on the specifics, such as who exactly will face what restrictions, and when. For China, another rise in US import tariffs comes at an especially tricky time, with local demand far less robust than the first time around. This strengthens the case for further stimulus, though gradualism is likely to endure in 2025, with the focus more on growth stabilization than a surge in activity. For ASEAN, US-China trade tensions were arguably helpful in the past, leading to export gains and more investment. However, the outlook is far more uncertain this time around, likely weighing on foreign investment in quarters to come. Fortunately, in much of Asia, consumer spending should stay resilient, even if it has cooled of late, including in India. But more stable prices, and gentle interest rate cuts outside of Japan, should help keep domestic demand on an even keel. For all the uncertainty, therefore, Asia’s economies will continue to progress at their steady, indomitable pace...slithering, perhaps, more than sprinting, but advancing, nonetheless.”

Economics

In America, stocks are at all-time highs; home prices are at all-time highs; national debt is at an all-time high; core CPI inflation has been higher than 3% for 43 straight months, the longest run of high inflation since the early 1990s; and the Fed cut interest rates by 25bps on 18 December while [indicating fewer \(just two\) cuts](#) in 2025 saying more reductions in borrowing costs now hinge on further progress in lowering stubbornly high inflation; [Torsten Sløk, the chief economist at Apollo Global Management](#), warned last week that there is a 40% chance the Fed goes back to hiking rates in 2025. The top economist attributed the risk to the reduction of taxes, bolstering of tariffs, and restrictions of immigration under President-elect Trump; across the US, 2025 is

shaping up to be the “year of reckoning” for office real estate. China, the second largest economy in the world, is struggling with deflation, and all its stimuli are falling flat no sooner than they are announced. To confuse matters further, massive interest burden haunts the world with a [\\$29 trillion emerging debt pile](#); Germany’s economy is [unraveling just when Europe needs it most](#); Germany’s economy contracted for the second consecutive year in 2024, highlighting the depth of the downturn gripping Europe’s biggest economy; and the EU central bank keeps cutting interest rates realizing that the EU economy is in poor shape. [Manufacturers in the euro zone ended 2024 on a sour note](#), with factory activity declining at a faster rate. The downturn was broad-based with the bloc’s three largest economies – Germany, France, and Italy – stuck in an industrial recession. Meanwhile, a series of [manufacturing purchasing managers’ indexes for December](#) from across Asia showed factory activity slowing in China and South Korea although there were some signs of a pickup in Taiwan and Southeast Asia. The Bank of England, likewise, realizing the gravity of the UK economy, has been cutting interest rates at almost every meeting. Traders see [less easing of UK interest rates next year](#) after a report showed [wage growth accelerated more than forecast](#) this fall. [UK inflation rose to an eight-month high](#) in November, drifting further above the BOE’s 2% target and the BOE did not disappoint [on 19 December by standing still at 4.75%](#). China will keep its growth target of about 5% for next year and raise their budget deficit to 4% of GDP, [the widest since 1994](#). Premier Li Qiang urged government officials to implement [key economic tasks](#) for the coming year swiftly as top officials keep [trying to spur consumption](#) without rolling out a massive stimulus package just yet. Meanwhile, the [confidence of foreign CEOs in China](#) is on the decline. Richard D Wolff, Professor Emeritus of Economics at the University of Massachusetts, Amherst, [explains the economic situation in the US and that of the BRICS+ nations](#), and the Ukraine war. He has a PhD in Economics from Yale University as well as degrees from Harvard (history BA) and Stanford (economics MA). Trump [threatened the EU with tariffs](#) if its member countries don’t buy more American oil and gas. Goldman Sachs expects [global real GDP growth of 2.7% year-on-year in 2025](#) and “above-consensus” real GDP growth of 2.4% year-on-year in the U.S. The bank is still expecting three interest rate cuts from the Fed, of 25 points each. The economic signals from the USA, China, EU, and UK, are making it very difficult to guesstimate where the world economy is headed in 2025. However, the OECD forecasts for the world economy are sanguine with global GDP growth rates forecast at 3.3% for each of the next two years, 2025 and 2026.

China:

China, the nation that has the maximum impact on dry bulk markets, imports almost 75% of all iron ore in the world, and reached the number one spot in 2004 and has held that title since then. As part of its efforts to reduce reliance on Australia (also known as world’s largest iron ore exporter), China is diversifying its iron ore imports, with projects like Guinea’s Simandou iron ore development expected to begin shipments by the end of 2025. This shift could reshape global iron ore trade flows and impact freight demand in the coming years. In 2022, China overtook the EU and became the largest importer of [grain and agricultural products](#) in the world. It is the largest importer of crude oil since 2017 when it displaced US, but it appears that China may have plateaued in terms of fossil fuel emissions. That said, please keep in mind that China’s imports of coal used for energy production, may still increase especially as high price for domestic coal is making coal imports more attractive. China consumes close to 4 BMT of coal per annum, and current [imports are running at close to 10-12% of total consumption](#) in 2024 which will likely be the highest coal import year ever. Can China’s imports of coal keep going up? Price of coal in the international markets compared to domestically produced coal will determine import levels in China in the future. Since 2020, imports of bulk commodities have been strongly influenced by international prices rather than local demand for the same products in China. [Cheap coal will continue to provide the ballast for China’s energy security](#) in 2025. Output is likely to rise 1.5% in 2025 for a ninth consecutive annual increase, while demand should expand 1%, the China Coal Transportation and Distribution Association said at a briefing on Wednesday, 8 January 2025. Steel exports from China has been another big supporter of the dry bulk markets especially for the geared ships, topping out at 111.1 MMT in 2024. China’s high steel exports signal weak domestic demand, despite recent stimulus efforts by Beijing. According to Bilal Muftuoglu, Howe Robinson’s head of dry bulk research, there are few signs of a recovery in housing demand. He noted that recent stimulus measures have focused more on completing existing construction projects and supporting local

governments rather than driving new real estate demand for steel. Internationally, growing uncertainties around global trade are also putting China's export market at risk. If real estate developers start building affordable housing in a big way, it will likely push up steel requirements to the levels prior to the Evergrande debacle. That would be a big win for the dry bulk sector especially now that China has four other large commercial buyers and users of steel i.e., infrastructure, steel exports, shipyards, and EV manufacturers. Let us see if the import/export trends in China persist as it will be the single most important factor on the demand side for the dry bulk markets. A lot will depend on China's push to become number one in AI and EVs (China is already the number one EV exporter in the world since 2023), as usage of AI consumes more power than anything else. China will [accelerate the pace of agricultural and rural modernization](#) and stabilize grain planting area in its quest to ensure stable and high production of grains, state media reported on Wednesday, 18 December 2024, citing an annual rural policy meeting. The world's biggest grains producer announced record grain production of 706.5 MMT in 2024, including 294.92 MMT of corn. 'Turning Trump's Tariffs Into China's Opportunity' [an article by Keyu Jin](#), shows us that the nations that adapt are best served economically rather than those that use tariffs and non-tariff barriers against free trade.

AI & EVs:

AI and EVs should be the type of technology that makes people's lives better. Economists generally view innovation as the main long-term contributor to living standards, as new ideas make people more productive and richer, freeing up time to innovate anew. But there is a second strand of thinking, and it holds that political institutions matter most of all. This year, the pioneers of that school, [Daron Acemoglu, Simon Johnson, and James Robinson](#), of MIT and the University of Chicago, won the Nobel prize in economics for their work. The trio contends that more inclusive, more democratic political institutions are the primary driver of economic growth, because they allow citizens to share in the fruits of their labor. Lately, Acemoglu and Johnson have warned that AI could centralize power and therefore lead not to prosperity but to tyranny. AI and EVs will keep global power demand at all-time highs, once again making the 'rumors of the demise of King Coal', paraphrasing the immortal words of Mark Twain are, 'being greatly exaggerated.' This will mean coal, the cheapest and most polluting power source, will remain in strong demand till alternate green, or less polluting fossil fuel power stations, can take up this power-hungry challenge posed by AI and EVs. While this is bad for the planet and will further boost climate change, it will be good for demand for dry bulk ships. A single query processed by AI models like ChatGPT can require up to 10 times more energy than a standard Google search, highlighting the intensive nature of AI computations. Thanks to AI, data centers are popping up across the US; The climate [price is steep](#); The surge in power demand is unlike anything utilities have seen in decades, perhaps [not since World War II](#); That is going to complicate the country's already [bumpy shift to clean energy](#) as power demand is expected to climb almost [16% over the next five years](#); The AI boom and its need for juice is also a [driving a surprise resurgence](#) of gas-fired power; One area that may thrive is nuclear, which has seen a [surge in interest from tech companies](#) and climate advocates alike; Here is an explainer on how AI wants more data, more power and, really, [just more of everything](#). A [new paper, from teams at the Harvard T.H. Chan School of Public Health and UCLA Fielding School of Public Health](#), examined 2,132 data centers operating in the US (78% of all facilities in the country). These facilities, essentially buildings filled to the brim with rows of servers, are where AI models get trained, and they also get "pinged" every time we send a request through models like ChatGPT. They require huge amounts of energy both to power the servers and to keep them cool. Since 2018, carbon emissions from data centers in the US have tripled. For the 12 months ending Aug 2024, data centers were responsible for 105 MMT of CO₂, accounting for 2.18% of national emissions (for comparison, domestic commercial airlines are responsible for about 131 MMT). About 4.59% of all the energy used in the US goes toward data centers, a figure that's doubled since 2018; China realizes that AI and EVs are the future and are trying their utmost, despite all the hurdles and obstacles thrown their way by the West. The recent launch of DeepSeek, a pioneering AI startup, has further intensified this ambition. DeepSeek has developed resource-efficient, open-source AI models, including its R1 model, which [rivals established competitors like OpenAI's ChatGPT](#). This development has not only sent shockwaves through the tech industry and US stock market but has also highlighted China's growing influence in AI, as DeepSeek quickly became the [top free app](#)

on platforms like Apple's App Store in multiple countries. The emergence of such innovative technologies is expected to create extraordinary demand for power, as China's desire to dominate AI will require even more energy than it currently uses or produces. The [DeepSeek shock exposes an uncomfortable truth](#): American tech exceptionalism, and the xenophobia that underpins it, mean the [brologarchy](#) will keep being surprised. Silicon Valley has no shortage of innovators, or inflated egos. US tech leaders paint themselves as visionaries who can predict future trends decades in advance. Investors reward them handsomely for this, often whether their ideas play out or not. But there's an insidious, insular mindset baked into American society that leads its tech elite to believe they're the only ones who can lead the charge. DeepSeek upended this narrative with a double whammy: It not only proved AI breakthroughs could happen at a fraction of the cost, but also despite the web of export controls aimed at holding China back.

Bitcoin:

Bitcoin has hit all-time highs; hence we must now confront how much more power demand will stem from bitcoin mining? Not too long ago, bitcoin mining was the source of very high-power demand, and if that excessive power demand makes a comeback, then along with AI and EVs, it will make coal/fossil fuels the default choice to create the extra power demand for these power-hungry entities. Despite facing challenges, Bitcoin mining remains active. A recent [court ruling in New York](#) allowed a major mining facility to continue operations despite environmental concerns, indicating ongoing legal and regulatory battles in the sector. The [first half of 2024](#) saw a mix of profitability among miners, with many struggling to remain viable due to fluctuating Bitcoin prices and high operational costs. As the market evolves, [some miners are pivoting towards AI](#), leveraging their existing infrastructure to [host AI workloads for more stable revenue streams](#). Bitcoin mining consumes approximately [112.31 TWh annually](#), roughly equivalent to the total electricity consumption of the Netherlands. It accounts for [about 1% of global electricity consumption](#) and is projected to rise as demand increases.

Urbanization:

More than half of the world's population now resides in cities. Urbanization has followed a consistent upward trend over the past decade, with the urban population increasing from 53% in 2013 to 57% in 2023. As of 2023, the most urbanized regions in the world include Northern America, where 82% of the population lives in urban areas, followed by Latin America and the Caribbean at 81%, Europe at 74%, and Oceania at 68%. In comparison, about 53.6% of Asia's population now lives in cities, while Africa remains predominantly rural, with only 43% of its population in urban areas. According to the World Bank, approximately 70% of the global population is expected to live in urban areas by 2050, which will place significant pressure on housing, infrastructure, and the climate. Higher levels of urbanization are closely linked to increased GDP growth, as economic development typically involves a transition from an agriculture-based economy to an industrial-based economy. Manufacturing and service production are far more efficient when concentrated in dense business-industrial districts within cities. Additionally, growth in the industrial sector drives demand for raw materials, which ultimately benefits the dry bulk shipping industry. Global material consumption is projected to rise from 41.1 BMT in 2010 to approximately 89 BMT by 2050. The UN reports that most urban growth will occur in the Global South, especially in cities across China, India, and Nigeria. Asia, home to the majority of the world's megacities, those with populations exceeding 10 million, will see a significant rise in consumption. However, the most dramatic changes are expected in Africa, where the population is projected to double by 2050, driving material consumption up from 2 BMT to 17.7 BMT annually.

Inequality:

Inequality is a social construct marred by stark disparities in wealth, income, education, and opportunities in society. It is caused by issues like unequal access to quality education, healthcare, and employment; concentration of power in mega corporates; and the wealthy elite not caring for the have-nots. Discriminatory practices and taxation systems are loaded in favor of the 'haves.' And it matters very little if you live in the richest country like the US, the homeless capital of the world, or in the poorest countries from the Global South, it is the poorer sections of humanity, mainly people of color, that gets hurt the most by geopolitics and the excesses of

neoliberal capitalism. As highlighted in the Global Hunger Index 2024, approximately 733 million people, or 1 in 11 individuals, are facing hunger globally, a crisis exacerbated by conflict and climate change. The situation is particularly dire in Africa, where 1 in 5 people experience hunger. Hunger levels remain classified as serious or alarming in 42 countries, with six nations, Burundi, Chad, Madagascar, Somalia, South Sudan, and Yemen, grappling with particularly alarming levels of food insecurity. As the common man in any country starts to migrate from being dirt poor to lower middle class, and then to upper middle class, they start to change their eating habits going from a largely vegetarian diet to a diet rich in white and red meat, with food wastage in the present becoming the norm rather than the exception it was in their past, in the new found economic freedom that has been attained. The conversion factor is 2.5 kilos of grain to one kilo of live weight in white meat and up to 6 kilos of grain for one kilo of live red meat. Hence, as the burgeoning middle class settles into a carnivorous and wasteful lifestyle, the amount of grain needed to satisfy their food cravings, and wastage, shoots skywards and demand for dry bulk ships to transport such grains increases dramatically. That is why equality of wealth, ergo a larger, and ever larger, urbanized middle class, is so important to our business.

Climate Change:

Climate change could reduce demand for grain if large grain consuming nations increase their crop yields via technology or with the right amount of rain at the right time, that increases their crop output. This would be good news for such nations but bad news for shipping demand. But climate change could more likely increase demand for grain when large grain consuming nations are hit by freaky weather that reduces their grain yield and output, requiring imports from faraway lands. At the same time, shipping contributes ~2% of global greenhouse gas emissions, but the aging global fleet is being renewed at a slow pace due to high costs, uncertainty about future fuels, and low rates of ship scrapping. By early 2024, only 14% of new ships were equipped for alternative fuels, and while 50% were fuel-capable, the lack of faster decarbonization progress means that shipping faces rising costs, regulatory penalties, and risks to competitiveness as sustainability becomes a growing priority. All such extreme weather changes will require more power, more materials to fortify against fierce storms, greater movement of grain cargoes where crops are damaged or devastated by inclement weather patterns on land, and greater recycling efforts for older ships than was the case when weather patterns were more normal. With climate change escalating, the risks of damage, disruption, and delays to port and shipping infrastructure and operations, along with the potential impact on safety and contractual obligations, must be proactively evaluated and managed. Addressing these risks early is crucial to reducing losses, avoiding legal disputes, ensuring the smooth flow of trade, and maintaining affordable insurance for shipping companies. Congestion, resulting from freaky, unexpected, and severe weather patterns, longer ton-miles at sea for carrying raw materials to generate the additional power required, carry the rebuilding materials required to repair the fixed objects damaged or destroyed by severe storms making landfall, replacing grain crops ravaged by typhoons and hurricanes resulting in additional increase in ton-miles at sea, all these will create a greater demand for shipping space. The historic Panama Canal drought of 2023 and early 2024 is a prime example of climate change's disruptive force. Transit restrictions due to the drought significantly affected global trade, while the Panama Canal Authority (ACP) capitalized on the crisis by obtaining windfall revenues from slot auctions. As a result, ACP's toll revenue per tonne of cargo surged, increasing costs for shippers. Power providers in the US that have made pledges to cut back or eliminate carbon emissions are now starting to reverse course. Duke Energy Corp is [extending the life](#) of its largest coal-fired power plant, abandoning its plan to exit coal by 2035. FirstEnergy [will also operate a pair of coal plants](#), stepping back from an earlier pledge to stop using the fuel by 2030. And energy companies in the US are [planning new gas plants at the fastest pace in years](#). President-elect Trump is well-known for his support of fossil fuels and his skepticism of climate policies. The exponential growth in extreme weather events is evidence that companies [must close the gap between adaptation and mitigation](#), said Johan Rockström of the Potsdam Institute for Climate Impact Research, who was one of the speakers on the Davos WEF panel on climate adaptation. The 2022 Pakistan floods destroyed 8,000 miles of roads. The disruption to transportation across the country is just [one example of the major impacts](#) of climate-fueled extreme weather on essential infrastructure around the world. Please also see the news about the largest iceberg ever, A23a, that is floating towards South Africa from the Antarctic under the Climate Change section.

Wars:

Wars are the worst things to be involved in by any country. Countries at war, or supporting their friends to fight in wars, devote all their free capital to arms manufacturing and/or procurement to the virtual exclusion of all other issues. As a result, their economies get neglected, leading to lower demand for cargoes and, therefore, a lower demand for shipping capacity. Two hot wars, one in Ukraine, and the second spinning out of control in the Middle East, could be resolved quickly come 20 January 2025 when Trump takes charge of the USA based on his commitments when he was in campaign mode. When one or both wars come to an end, the amount of material required for rebuilding the destroyed infrastructure, housing, educational institutes, hospitals, power stations and grids, water supply reservoirs, pipelines, etcetera, would be enough to employ the entire dry bulk fleet at profitable levels for decades.

- **Gaza Reconstruction Timeline:** Now that there has been a ceasefire, [estimates suggest that it could take until 2040](#) to fully rebuild all homes destroyed during recent hostilities, which have lasted for a couple of years. The UN Environmental Programme has indicated that [clearing debris and explosive remnants alone could take 15 years and cost over \\$500 million](#).
- **Extent of Damage:** As of early 2024, approximately [40 million tonnes of debris have accumulated](#) in Gaza due to the destruction caused by the conflict. The World Bank has reported direct damages amounting to around [\\$18.5 billion, primarily affecting residential buildings and critical infrastructure like water, sanitation, and health services](#).
- **Reconstruction efforts** face additional hurdles due to blockades and restrictions on material imports. Israel's blockade on Gaza has severely limited access to construction materials such as cement and steel, [complicating recovery efforts even further](#).
- **Ukraine Reconstruction Timeline** following the ongoing conflict with Russia is projected to be a massive and lengthy endeavor. Here are a few points regarding the timeframe and material requirements for recovery.
- **Overall Duration:** The total cost of [recovery and reconstruction in Ukraine is estimated at \\$486 billion](#) over the next decade. This indicates that significant [reconstruction efforts will likely extend into the 2030s](#).
- **Immediate Needs:** [For 2024 alone, Ukrainian authorities estimate needing](#) around \$15 billion for urgent reconstruction and recovery priorities, focusing on [housing, infrastructure, energy, and transport](#).
- **Extent of Damage:** As of December 2023, direct damage from the conflict had [reached approximately \\$152 billion](#), affecting critical sectors such as housing, transport, energy, and agriculture. About 10% of the housing stock has been damaged or destroyed, leading to ongoing displacement issues for many Ukrainians.
- **Access to Materials:** The war has disrupted supply chains and access to construction materials. Securing funding and international support will be vital to overcome these hurdles.
- **Political Stability:** Ongoing political uncertainties may affect both the pace of reconstruction and the ability to mobilize resources effectively.

So, where do all the above leave the **prospects for 2025?** Confusion seems to be the watchword in the **economics** section with the US, the largest economy in the world, outperforming most of the developed world economies, while the emerging markets will continue to chug along nicely. **AI, EVs, and Bitcoin** will all increase power requirements in a big way, and the best, cheapest, and most easily scalable source of power generation is coal-fired power plants. This will increase the demand for dry bulk ships, especially in China when you read the AI & EV commentary above. **Climate change** could increase demand for grain when large grain consuming nations are hit by freaky weather that reduces their grain yield and output, requiring imports from faraway lands. All such extreme weather changes will require more power, more materials to fortify against fierce storms, greater movement of grain cargoes where crops are damaged or devastated by inclement weather patterns on land, and greater recycling efforts for older ships, than was the case when weather patterns were

more normal. Congestion, resulting from freaky, unexpected, and severe weather patterns on land, longer ton-miles at sea for carrying raw materials to generate the additional power required, carry the rebuilding materials required to fortify and repair the fixed objects damaged or destroyed by severe storms making landfall, replacing grain crops ravaged by typhoons and hurricanes, will result in additional increase in ton-miles at sea, creating greater demand for shipping space. **China**, the mainstay country of the dry bulk markets, has been going great guns in terms of bulk imports and exports in 2024, as detailed in other sections in this report, has promised to do everything that it can from a loose monetary policy to a fiscal policy budget deficit of 4% for 2025 (largest fiscal deficit in over 3 decades), all promising more fireworks for the dry bulk markets. Coming to **the two hot wars**, the one in Europe appears set to take far longer than Trump had promised with his advisors stating it would require several months to resolve, while the wars in the Middle East are already coming to an end. It will be good for humanity as right now the hot wars in the Middle East look like genocide being perpetrated on the weaker side by an extremely well-armed, well-funded adversary, well-shielded from any antagonistic comments against it in the Western press, and with a permanent veto from the US in case anyone tries to stop Israel at the UN Security Council via a resolution calling for an end to these wars. Israel and Hamas officially signed a peace deal [this morning](#) (January 17, 2025). The FT has a fascinating account of President-elect Donald [Trump's role in ending the Gaza conflict](#). The Red Sea will remain a no-go area till such time as the pause in fighting is converted into a real peace with the establishment of a two-state solution within sight. Then the war destroyed Middle East will need massive amounts of materials for reconstruction, detailed above, spiking the demand for available ships. And finally, the **supply side** of dry bulk ships does not appear to be a threat at 10.64% orderbook to existing fleet ratio (till end 2028), compared to the existing 20-year-old or older fleet at 9.80% of the existing fleet, at the start of 2025; what with new regulations requiring much lower GHG emissions which older ships are incapable of complying with; decarbonization calls; slow steaming; pushing the older fleet into the loving arms of the hungry recycling yards; all this will help further tighten the supply side of ships.

Factors affecting the BDI

Economists rightly expect [‘sticky’ inflation may be rearing its head again](#), and if this happens we could have a longer Fed pause on any further reductions. Time, and Trumps tariff actions, will tell. But for now, all signs point to that soft landing. US job openings picked up in October while terminations eased, potentially suggesting [demand for workers is stabilizing](#). While Citigroup strategists said [the Fed should pause](#), opposing the bank's own economists. Trump's plans, despite his promises to lower US fuel costs, are seen as causing a spike in US gasoline prices by [as much as 50 cents a gallon](#) come summer. While Trump ran for re-election on the promise of lowering prices for consumers still bruised by inflation, Goldman Sachs says the 78-year-old Republican's [threats](#) of Canadian tariffs will [accomplish the exact opposite](#). The Fed could end up [keeping rates higher for even longer](#), which would make it more lucrative to keep dollars in the bank. In a note dated 15 December, [Goldman Sachs said it no longer expects the central bank to lower rates in January](#). Nouriel Roubini is preparing for a world in which yields on long-dated US bonds will edge higher as Trump's agenda risks [eroding price stability](#). The economist is positioning for a [curve steepener](#), a popular Treasuries trade where the gap between long- and short-dated yields widens. As expected, the Fed dropped rates by 25bps at its last FOMC meeting in 2024 but warned that there would be max 2 reduction in interest rates during 2025. The S&P 500 ended 2024 with a gain of 23.3%, while it grew by more than 24% in 2023, powered by technology shares and a broad preference for US assets.

US coal traders have [exported the highest volume of thermal coal in six years](#) over Jan-Nov of 2024, and look set to ship out even greater volumes in 2025 once President-elect Donald Trump takes office. The US government continued to invest heavily in infrastructure projects, with significant allocations aimed at enhancing transportation networks and energy efficiency initiatives. This investment is part of broader efforts to stimulate economic activity and create jobs. Gavin Maguire [explains why](#) a new Trump administration could mean still higher exports in 2025. Meanwhile, the [IEA says coal demand will continue hitting records](#) through 2027. US business leaders said they plan to spend more on expanding their businesses, and also indicated an improved [outlook for hiring](#) compared to the period before the election. In the Fortune/Deloitte [CEO Survey](#), based on responses from more than 140 CEOs of the world's largest and most influential companies, 84%

expressed optimism about their company's performance in the next year. Nearly half are optimistic about the global economy, up from 7% a year ago, and 66% see an opportunity in AI.

The American consumer, the buying power behind 70% of US GDP and with inflation-adjusted spending growing by 3.0% year-over-year in Q3 2024, was in fine fettle with a [record busting Thanksgiving](#) spending spree, followed by [record breaking shopping from black Friday to Cyber Monday](#). Expected tariffs, combined with [optimism about the US job market](#), higher real after-tax incomes and household wealth gains, particularly among high-income households is pushing [183.4m consumers](#) to shop during this period, despite the New York Fed recording an almost \$18t household debt. Black Friday online sales [hit a record \\$10.8 billion](#), Adobe data showed, as slowing in-store traffic showed American shoppers taking more time to deliberate. Consumers "really showed up", e-commerce sales rose 14.6% from last year, after "waiting, nibbling here and there," according to Mastercard. In-store sales grew by just 0.7% as shoppers, burned out from years of high inflation, compared more often, and waited to find the best possible bargains.

The [world economy is set for steady growth in the next two years](#) if resurgent protectionism does not derail a recovery in global trade, the OECD said. It is poised to grow 3.2% in 2024 and 3.3% in both 2025 and 2026. Pimco and Fidelity are among investors who say the [darkening economic outlook in Europe](#) may force policymakers to cut interest rates more than the market expects.

Policymakers in major economies have quelled the post-pandemic inflation surge without causing recessions. BlackRock's [Alex Brazier argues big rate hikes](#) in the US, Europe and the UK helped, but so did unusually strong labor markets. However, rapidly depleting gas reserves and looming supply cuts from Moscow have the [makings of a fresh energy crisis for Europe](#). The situation is about to get worse with gas deliveries that helped fill reserves in 2024 likely unavailable next year. Euro zone productivity growth [remained weak in Q3](#) despite a modest expansion in the bloc's economy, continuing a poor run that has lasted years, data from Eurostat showed. European stocks have retreated since Trump's win and the euro has skidded towards [parity with the dollar](#), reinforcing an unequal status quo that took hold years ago. At \$63 trillion, the total value of US stocks is now four times bigger than all of Europe's bourses combined. Ten years ago, it wasn't even twice the size. The [decline in euro zone business activity eased](#) in December as the bloc's dominant services industry bounced back to growth and offset a long-running contraction in the manufacturing industry, a survey showed.

China will adopt an ["appropriately loose" monetary policy](#) next year as part of steps to support economic growth, state media reported citing a Politburo meeting, marking the first such shift towards loosening since 2010. Chinese leaders signaled they are ready to [deploy whatever stimulus is needed](#) to counter the impact of expected US trade tariffs on next year's economic growth. China's top leaders and policymakers are considering [allowing the yuan to weaken](#) in 2025 as they brace for higher US trade tariffs. A surprise retail slowdown in China will only add to the general murkiness with unemployment creeping up. [Sales growth slowed sharply to 3% in November](#) while home prices remained under pressure. The country's [spiral into deflation is proving hard to fix](#). Chinese leaders agreed last week (9/13 December) to [raise the budget deficit to 4% of GDP next year, its highest on record](#), while maintaining an economic growth target of around 5%, two sources with knowledge of the matter said.

China's steel output fell in November from October and BIMCO predicts a 1% drop in Chinese steel demand for 2025, seemingly another sign of the struggles in the world's biggest producer of the key metal for construction and manufacturing. But while November production did drop 4.3% from October, the detail is far more nuanced and the big picture shows [China's steel sector is largely steady, as it has been for the past five years](#).

[China's iron ore imports are likely to hit a new high in 2025](#) as traders stockpile cheap ore for the world's top consumer despite a protracted property crisis continuing to weigh on Chinese steel demand. The country's import of the key steelmaking ingredient will likely rise by between 10 to 40 MMT to reach 1.27 BMT in 2025, up from what forecasters expect to be record volumes in 2024, seven analysts and two traders said in a Reuters survey.

Cheap coal will continue to provide the ballast for China's energy security in 2025. Output is likely to rise 1.5% in 2025 for a ninth consecutive annual increase, while demand should expand 1%, the China Coal Transportation and Distribution Association said at a briefing on Wednesday, 8 January 2025.

According to Clarksons, “Steel output is headed for another billion-ton year despite a significant decline in steel consumption for real estate construction, which fell by 24% from 356 MMT in 2020 to 270 MMT in 2023, while that used in machinery is up to 30% in 2023 from 20% in 2010. China’s steel exports are strong, 111.1 MMT in 2024, being 32% higher than Japan’s total steel output of 84.1 MMT in 2024. This supports constant iron ore imports, assisted by a falling price trend, with prices starting this year at \$144 and now down to \$102 a ton. Thermal coal imports remain robust as China continues to build thermal coal plants to keep the lights on while it phases in less reliable renewables such as solar and wind. China needs to feed electricity intense demand from power utilities, EVs, data centers, the AI rollout and rising AC demand. Bauxite is used to make aluminum, and China needs more and more of it for renewable energy products and EVs. Evidently, China still supports cape demand.”

China is urging colleges and universities to provide «love education» to emphasize positive views on marriage, love, fertility, and family, in a bid to boost the country’s flagging birth rate. Beijing has been promoting various measures to try to make having children more attractive to young couples after China posted a third consecutive year of population decline in 2024.

Clarksons report on 3 January 2025, summarized 2024 for the different sectors, as follows:

The container market recorded its strongest conditions outside of the Covid-19 period, with freight rates up 149%. Red Sea re-routing has been the biggest single driver (increasing demand +12%, ~700 vessels sailing round the Cape) but stronger volumes (+5%), an earlier “peak” season, and congestion, helped. The bulk carrier market also “surprised” on the upside, particularly Capes (+76% y-o-y \$21,862/day). Chinese iron ore and coal import levels were supportive, although Clarksons expect volume growth to be more muted in 2025. Tanker rates softened slightly y-o-y, with Q4 not as strong as expected: weak global oil demand has been a factor (seaborne oil trade volumes were flat at 3.1bn tonnes). But tanker earnings for the year still sat 46% above the 10-year trend and tonne miles sit 11% above 2022 levels. The LNG spot market weakened as the year progressed while VLGC rates softened but from the “heroic” levels of 2023.

Clarksons predictions, in that report, for 2025 were:

Our 2025 projections assume Red Sea disruption and Russian sanctions continue. Panama Canal restrictions “normalized” in the year. With heightened geopolitical and economic uncertainty (e.g., tariffs) we will be monitoring tonne-mile forecasts closely.”

Clarksons summarized supply of ships in 2024 & predicted fleet levels for 2025, as follows:

The world fleet grew by only 3.4% to 2.4bn dwt (1.7bn GT), but with wide variations (tanker fleet +0.8%, container fleet +10.1%). Shipyard output increased by 13% (CGT, Chinese market share 53% with capacity expanding) and order volumes were up 34% (highest since 2007). 49% of newbuild tonnage ordered was alternative fueled with LNG dominating. Our newbuild price index increased 6%, while S&P prices increased across the year, but values and volumes softened in Q4 from their elevated levels. Demolition remained low (-20%). The value of the world fleet and orderbook has reached \$2.0 trillion (2020: \$1.2 trillion). Geopolitics continue to impact: our estimate of the “parallel” fleet stabilized at ~13% of the tanker fleet and ~328 vessels were added to sanction lists in 2024: compliance teams are gearing up for another busy year. As 2025 begins, the market tone for now seems to be more cautious in some segments. But key themes of recent years, managing disruption (with geopolitical uncertainties heightening) and going green (FuelEU, IMO) - look set to continue.

Germany’s power plants that run on hard coal remain an important back up to guarantee supply when volatile wind and solar power are not available, coal importers lobby VDKi said in a statement on Thursday, 9 January 2025, calling for better remuneration. VDKi’s call comes in a regulatory limbo ahead of national elections on Feb. 23, three months after Germany’s coalition government collapsed, and after recent high price periods in wholesale power that harmed industrial consumption and burdened households.

According to Banchero Costa, during 2024, global shipments of iron ore increased by +2.3% y-o-y to 1,669.2 MMT, from 1,631.9 in 2023. Exports from Australia increased marginally by +1.3% y-o-y in 2024 to 927.4 MMT. From Brazil, exports surged by +5.0% y-o-y to 380.4 MMT. [Ukraine has seen a rebound](#) to 12.1 MMT from just 2.9 MMT in 2023. This is the highest since Ukraine entered full-scale war and still below the 25.2 MMT exported by Ukraine in Jan-Dec 2021. Demand has been rebounding in China and the Middle East. The EU (27) is the third largest importer of iron ore in the world, after China, and Japan. EU accounts for just 7% of global crude steel production, and 5% of global iron ore imports. During 2024, the EU imported 72.8 MMT of iron ore, up by 1.7% y-o-y, from 71.6 MMT imported in 2023. This is still well below the 87.7 MMT imported in 2019 or the 98.2 MMT in 2018.

Coal imports in Southeast Asia are expected to almost double over the next 6 years, once again giving credence to the famous quip by Mark Twain, duly paraphrased, that the rumors of the demise of King Coal have, therefore, been greatly exaggerated.

India's rice exports fell by -0.4% from a year ago to 17.8 MMT in 2024.

India's coal imports fell by -1.8% to 236.5 MMT in 2024.

China imported 105 MMT of Soybean up 3.3% in 2024 compared to 2023.

China imported 13.64 MMT of corn down 48.3% in 2024 compared to 2023.

China imported 11.2 MMT of wheat down 0.18% in 2024 compared to 2023.

China imported 1,238.2 MMT of iron ore up 4.8% in 2024 compared to 2023.

China imported 543 MMT of coal up 14.4% in 2024 compared to 2023.

China produced 1,005 MMT of Steel down 1.7% in 2024 compared to 2023.

China exported 111.1 MMT of Steel up 21.8% in 2024 compared to 2023.

China's average PMI index was 48.4 during 2024.

China's GDP growth was 5.0% during 2024.

Containerships ordered in 2024 at 1.4 M-TEU took the total orderbook to 8.3 M-TEU at the start of 2025. The orderbook to fleet ratio for Containerships at the start of 2025 is 27% compared to start of 2024 figure at 25%. (Clarksons January 2025 CIM).

The SCFI skyrocketed during 2024, surging by 255% from \$882 to \$3,132 per TEU on China-North Europe and up 146% from \$1,543 to \$3,797 per TEU on China-Med. The SCFI for Transpacific was up 210% from \$1,607 to \$4,987 per FEU on China-USWC and was up 156% from \$2,529 to \$6,463 per FEU on China-USEC.

PSL's exposure to the smaller geared segments means that it will be exposed to growth in net supply of 4.3% in 2025, according to Clarksons December 2024 DBTO.

Supply Side Developments

We started 2024 with 996.58 MDWT and have increased to 1,029.09 MDWT (+3.26%) at the start of 2025. If we were to apply slippage of 5% (it was -0.22% for 2024) to the scheduled deliveries in 2025 and 2026 and assume recycling reaches 10 MDWT in 2025 and 2026 (it was 3.82 MDWT in 2024) we would be left with a net fleet growth of 2.53% (1,029.09 MDWT to 1,055.11 MDWT of which 369.30 MDWT to 383.77 MDWT is for geared sector and 659.79 MDWT to 671.34 MDWT is for gearless sector) by the end of 2025 and 2.72% by the end of 2026 (1055.11 MDWT to 1083.79 MDWT of which 383.77 to 395.09 is for geared sector and 671.34 MDWT to 688.71 MDWT is for gearless sector). Congestion, ballasting ships, slowing speeds, especially in 2025 and onwards, due to EEXI/CII regulations, will further assist in supply side tightening.

‘Markets in 2003-09, 2010-20, 2021-22, 2023-24 and beyond’

‘Markets in 2003-09, 2010-20, 2021-22, 2023-24 and beyond’

Daily average Time Charter rate	2003 – 2009	2010 – 2020	2021-2022	2023-2024	2025e
Capesize	67,101*	14,924***	24,807**	19,510**	10,949***
Panamax	32,793*	10,965***	23,836**	13,480**	8,391***
Supramax	28,013^^	10,765***	24,475**	12,427**	7,854***
Handysize	18,753^^	8,789***	23,533**	11,545**	8,738***
Annual Average Demand Billion Ton-miles	+5.5%	+4.3%	+1.4%	+5.5%	+1.1%
Average Speed (knots)	13.5	11.7	11.3	10.92	-
Chinese Stimulus	China enters WTO 2001	\$ 578 bn (2009)	\$667 bn (2021) \$2.3 trillion (2022)^	\$1.8 trillion^ (2023) \$1.07 trillion^^ (2024)	\$1.7 trillion^
Orderbook/Fleet Ratio per Year (start of each year)	+25.88%	+32.21%	+6.48%	+7.89%	10.64%
Annual Average % of 20-year-old (start of each year)	+16.84%	+12.67%	+6.76%	+8.28%	9.80%
Annual Average Net Supply Growth	+6.8%	+6.4%	+3.3%	+3.1%	+2.9%

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, but at the start of Jan 2025 the 20+ year old fleet became below the forward order book at 9.80% versus 10.64%, 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 2022¹, Bloomberg reported \$1.8 trillion of construction stimulus in Apr 2023, CNBC reported a plan of 2 trillion Yuan stimulus package, The Diplomat reported a Chinese Stimulus of \$1.7 trillion in 2025.

^^ SCMP reported the total size of the China's stimulus package in 2024 is estimated to be about 7.5 trillion Yuan (exr. 7 RMB/USD).

*The average so far in 2025.

Source: Clarksons Index Timeseries 28 Jan 2025, Clarksons Speed Timeseries 28 Jan 2025, and Clarksons World Fleet Register as on 31 Dec 2024.

Supply Growth from Clarksons Dec 2024 DBTO and Demand Growth from Clarksons World Seaborne Trade Time Series as on 28 Jan 2025.

If you look at the time charter rates for the period 2003-2009, they were the highest for Capesize compared to other periods. For Panamax and Supramax, rates in 2003-2009 were nearly 3X higher than in 2010-2020 and similar to rates in 2021-2022. Handysize rates in 2021-2022 were about 3X higher than in 2010-2020 and 1.5X higher than in 2003-2009. However, demand growth in ton-miles steadily declined throughout these periods, from 5.5% in 2003-2009 to 4.3% in 2010-2020, then dropping sharply to 1.4% in 2021-2022. Yet PSL produced very good results in both 2021 and 2022.

However, an interesting shift occurred in 2023-2024, where demand growth in ton-miles rebounded to 5.5%, matching the levels last seen in 2003-2009. This increase was likely due to wars and trade route disruptions. Ongoing conflicts, such as the Russia-Ukraine war and Red Sea tensions, have led to longer voyage distances, as ships avoided the Suez Canal and took longer routes around the Cape of Good Hope (COGH). Moreover, shifts in energy trade patterns where the EU has turned to long-haul oil and gas suppliers from the Middle East, US, and Asia, further increasing ton-mile demand. But with the Israel-Gaza war coming to an end, the demand growth in ton-miles is expected to bounce back to 1.1% in 2025. A key difference across these periods was the orderbook-to-fleet ratio, which was highest in 2003-2009, then fell by 27% in 2010-2020 and declined by 80% in 2021-2022. The other significant difference was that the orderbook to fleet ratio was 2X the 20-year-old fleet in 2003-2009, 2.3X in 2010-2020 and just 1X in 2021-2022, 0.95X in 2023-2024 with a similar figure at the start of 2025 of 1.0X indicating tightening of supply in the short-term till 2028.

Average vessel speed dropped from 13.5 knots in 2003-2009 to 11.7 knots in 2010-2020, then further to 10.92 knots in 2023-2024 further helping to tighten the net effective supply of ships. These indicators suggest that even as estimated net supply growth moderates to 2.9% in 2025, market conditions could remain stronger for longer.

BDI started out in 2024 at 2,093 on 2 January 2024, troughed at 976 on 19 December 2024, reached a peak of 2,419 on 18 March 2024, and then has fallen gradually till the end of the year. Why did rates drop sharply at the start of the year, then spike sharply upwards, and then fall very gradually till the year end? Demand-

supply for dry bulk at the start of 2021 was almost in perfect balance, and as ton-mile demand estimated by Clarksons during 2021 grew at 3.73% (Clarksons World Seaborne Trade Timeseries as on 31 December 2024) compared to net fleet growth at 3.6% (Clarksons December 2024 DBTO), rates skyrocketed during 2021 due to inefficiencies reducing the effective net fleet! But during 2022, China decided to reign in their out-of-control real estate sector by letting Evergrande and its brethren collapse, imposed strict anti-pollution controls on coal fired power plants post COP26, curtailed steel production, and insisted on blue skies during the winter Olympics, ton-mile demand of necessity, took a hit and dropped to -0.91% according to Clarksons (World Seaborne Trade Timeseries as on 31 December 2024). This drop in demand collided with a net supply increase of +2.9% as per Clarksons (December 2024 DBTO), with a decrease in fleet inefficiencies releasing even more ships into the market, despite a reduction in the world fleet's speed by 0.2 knots (Clarksons Speed Timeseries as on 31 December 2023). Consequently, rates in 2022 dropped in Q4 2022 for the opposite reason that they skyrocketed to a peak in Q4 2021. The central bankers of the ROW tapering QE and hiking interest rates from March 2022 to combat inflation, did not help the demand side during 2022. With demand-supply coming into balance in 2021 rates skyrocketed. But the time charter rates fell during 2022 due to slowing down of demand in China (for the reasons already mentioned) and demand in the ROW slowing down due to central banks raising interest rates sharply to fight inflation. Consequently, a lot of the fleet inefficiencies that were present in 2021, and had helped rates skyrocket, started to unwind during 2022 releasing more ships into a demand-challenged market growing at -0.91% making rates fall in Q4 2022 and into Q1 2023. Rates continued to slow down during Q2 and Q3 but spiked upwards in Q4 2023 as fleet inefficiencies came back into play due to bad weather at sea and in ports, Panama Canal halving their transits due to a lack of water, the Suez Canal being impacted by the Houthis pushing for a ceasefire and aid flow into Gaza by shooting at Israeli owned and/or controlled ships that tried to transit the Red Sea, and supply of Brazilian iron ore increasing due to drier weather. Drier weather in the Mississippi and in the Amazon made barges bring smaller lots of grain to export points resulting in congestion at New Orleans, USA and Southern Brazilian grain exporting ports. For 2024, ton-mile demand is estimated to have grown by 5.18%, outpacing fleet growth at 3.1% (Clarksons, 2024f). This suggests a tighter supply-demand balance, contributing to the initial rally in rates seen in Q1. However, the subsequent decline in rates through the year likely reflects factors such as improving fleet efficiency, Panama Canal working normally, increased vessel availability, and external geopolitical uncertainties affecting trade flows. As a result, 2024 had this long slow decline in rates after reaching a peak on 18 March 2024.

The geared sector (Supras and Handy sizes) experienced lower rate volatility compared to the gearless sector (Capes and Panamaxs), not only due to the factors discussed but also because of a slower net fleet growth. In 2021-2022, geared ships saw a supply increase of 18.88 MDWT, compared to 40.16 MDWT for gearless ships. This trend continued in 2023-2024, with geared ships growing by 28.57 MDWT, while gearless ships expanded by 34.49 MDWT, further contributing to the relative stability in the geared sector.

China still needs affordable housing in a big way but not the type of luxury houses being built by Evergrande and their compatriots in which everyone invests, makes paper profits, but no one lives in them. By letting the big real estate developers suffer, China tried to control this sector and push them to focus on affordable housing that the common man needs, would love to own, and live in, via policy means like the lowered reserve requirement ratio for banks, the interest rate cuts, and lowered mortgage lending benchmark interest rates. It may take some more time, but if the real estate developers start building affordable housing in a big way, it will likely push up steel requirements to the levels prior to the Evergrande debacle. That would be a big win for the dry bulk sector especially now that China has four other large commercial buyers and users of steel i.e., infrastructure, steel exports, shipyards, and EV manufacturers.

The slowdown that began in Q4 2022 and persisted through Q3 2023 gave way to a more optimistic outlook in 2024, driven by several key developments. China's transition from a COVID-zero policy to living with COVID at the start of 2023, which initially disrupted demand, began to show positive effects as the government took steps to stimulate the economy. By allowing 50 whitelisted real estate developers to borrow from banks, China aimed to boost construction activity, which is critical for dry bulk demand given the sector's heavy reliance on Chinese imports and exports. Meanwhile, the US Federal Reserve's decision to reduce interest rates by 75 basis points in 2024 marked a reversal of the aggressive tightening seen in 2022 and 2023, fostering improved

borrowing conditions and economic activity. While the Feds had signaled a potential reduction of 75 basis points in 2024, it ultimately implemented a total cut of 100 basis points throughout the year. This series of reductions, which began in September 2023 and culminated with a 25-basis point cut in December 2024, brought the federal funds rate down to a range of 4.25% to 4.5%. This marked a significant shift from the aggressive tightening seen in 2022 and early 2023, improved borrowing conditions and economic activity. However, as we move into 2025, the Fed has indicated a more cautious approach, pausing further cuts to assess ongoing inflationary pressures and the overall economic landscape. Climate change continued to create inefficiencies in the global shipping fleet due to adverse weather conditions, while disruptions in major canals forced ships to take longer routes, increasing ton-mile demand.

These factors collectively supported a rebound in dry bulk shipping demand, making 2024 a stronger year compared to 2023. However, as we look ahead to 2025, there are emerging concerns about potential market headwinds, including the risk of oversupply in the fleet and lingering economic uncertainties that could temper growth momentum.

The Industry Outlook:

A truncated supply of new ships is expected for the next few years. The fleet stood at 996.58 MDWT at the start of 2024 and by the end of the year had grown to 1,029.09 MDWT. During the year, 3.82 MDWT was recycled, and 36.33 MDWT was delivered, thus making net fleet growth of 3.26%. The existing orderbook stood at 109.53 MDWT (deliveries up to end of 2028), or 10.64% of the world fleet at the start of 2025. Specifically, in the geared segment, net fleet growth was 4.81% in 2024 in the Handy/Supra/Ultra segment and the existing orderbook for the geared fleet stood at 41.04 MDWT (deliveries up to end of 2028), or 4.13% of the geared world fleet at the start of 2025. The order book is expected to reduce pressure from the supply side of the equation.

While the supply side looks appealing on the surface, it does not factor in regulatory impacts or the current age profile of the fleet. At the start of 2025, 9.80% (112.34 MDWT) of the world dry bulk fleet (13.09% or 48.34 MDWT of the geared dry bulk fleet) was over the age of 20, and 16.7% (171.85 MDWT) of the world dry bulk fleet will be over 20 (18.79% or 69.39 MDWT of the geared dry bulk fleet) by the end of 2028 if none of these ships have been recycled by then. The first conclusion to draw from this is that the current orderbook is, at best, replacement capacity and will not increase supply. Secondly, vessels over the age of 20 were designed, built, and delivered at a time when the average price of oil was \$19.7/barrel with a low of \$10/barrel during the peak of the Asian Crisis during 1998/2000, hence were designed for power and not for fuel economy. Ships that are 20+ years will find it difficult to compete against younger more fuel-efficient vessels. It is our opinion that going into 2025, recycling should pick up, and new orders should slow with regulations like EEXI, CII, FuelEU, EU-ETS, etcetera in place. Ships 20 years or older, comprising 100.87 MDWT or 9.80% of the existing fleet (48.34 MDWT of geared ships or 13.09% and 52.53 MDWT of the gearless fleet or 7.96%) at the start of 2025 would be ideal candidates for recycling as they would have to invest in expensive special surveys, and face regulatory-led recycling in 2025 due to EEXI, and CII.

The Cape sector (90,000+ DWT: 2,360 ships of 431.90 MDWT at the start of 2025): 132 ships of 26.90 MDWT or 6.23% of the existing DWT are scheduled for delivery up to end of 2028. In this sector, 288 ships of 49.40 MDWT or 11.44% will be over 20 years of age by end of 2028 and some or all of them are likely to be recycled during 2025 to 2028.

The Panamax sector (70,000 – 89,999 DWT: 2,852 ships of 227.89 MDWT at the start of 2025): 393 ships of 32.41 MDWT or 14.22% of the existing DWT are scheduled for delivery up to end of 2028. In this sector, 694 ships of 53.05 MDWT or 23.28% will be over 20 years of age by end of 2028 and some or all of them are likely to be recycled during 2025 to 2028.

The Supra/Ultramax sector (45,000 – 69,999 DWT: 4,067 ships of 233.80 MDWT at the start of 2025): 462 ships of 29.26 MDWT or 11.81% of the existing DWT are scheduled for delivery up to end of 2028. In this sector, 749 ships of 40.51 MDWT or 16.35% will be over 20 years of age by end of 2028 and some or all of them are likely to be recycled during 2025 to 2028.

The Handysize sector (10,000 – 44,999 DWT: 4,954 ships of 135.50 MDWT at the start of 2025: 344 ships of 11.78 MDWT or 9.69% of the existing DWT are scheduled for delivery up to end of 2028. In this sector, 896 ships of 28.89 MDWT or 23.75% will be over 20 years of age by end of 2028 and some or all of them are likely to be recycled during 2025 to 2028.

When reading the above numbers please keep in mind that Slippage was –0.22% and recycling accounted for 3.82 MDWT in 2024. Slippage has averaged 1.38% over the last 5 years (2020 to 2024) and recycling accounted for 6.9 MDWT annually over the last 5 years (2020 to 2024). Both slippage and recycling fluctuate inversely with the BDI and availability of finance.

On a net basis, the global fleet increased by 3.26% in 2024 (according to Clarksons World Fleet Register as of 31 December 2024). According to Clarksons, the fleet is forecast to grow at 2.9% while ton-mile demand (for dry bulk seaborne trade) will grow at 1.1% in 2025. With supply growing faster than demand in 2025 (+2.9% vs. +1.1%), the market may face downward pressure on rates. However, external disruptions could still drive volatility in the BDI.

Recycling of ships: The freight market is the prime mover that drives ships to the recycling yards. The lower the freight market, the greater the number of ships at the recycling yards. Regulations impacting supply like EEXI, and CII will also influence DWT of ships sent for recycling. Deliveries in 2024 at 36.33 MDWT were lower when compared to average annual deliveries for the decade of 39.56 MDWT per year (2015 to 2024) of new capacity delivered.

Regulatory impacts should see many more ships heading for the recycling yard in 2023 and beyond. IMO 2020 has resulted in more expensive but ‘cleaner’ LSFO being burnt by ships from 1st January 2020. EEXI and CII will result in lower emissions from shipping globally. As a result, the level of pollutants reaching the air that we breathe, as well as the ‘acid’ rain that result from such emissions, will continue to reduce annually.

Geopolitics, Wars, Inflation, & more:

Wars:

Let us reiterate, so that it is crystal clear – there are no winners in any wars, only losers. The biggest losers are those lacking a moral compass, who apply the ‘might is right’ rule of the jungle, misjudge world opinion, and end up on the wrong side of history. If you don’t think this is true, just ask any of those who have sacrificed a loved one to any war, whether they happened to be on the winning or losing side, and they will speak painfully of the loved ones they have lost. Wars should never be fought, and diplomacy, the art of talking to your enemies, must be taught to all those entering politics, with a course on ethics thrown in for good measure.

After all, it is senile old men in dark suits who send youngsters to die in wars in distant lands, many a times egged on by different nation states who do not care how many youngsters are slain in the proxy war that they are fighting on the behalf of their so-called patrons. None of these senile old men in dark suits ever send any of their sons or daughters or loved ones to any such wars, whether in defense of their own nation, or in a proxy war with some other nations, and never have any skin or relatives in this game of thrones that they play. Killing of any one is always wrong, and killing of innocent civilians can never be justified, whether it is carried out by state or non-state actors. We live in a crazy world where the geopolitics of the developed world is shaped by manufacturing and supplying arms and munitions to every possible warring faction, even when they are fighting against inferior forces. In the meantime, parts of the developed world population are homeless, hungry, and jobless, but their leaders are apparently blind to any such suffering. Instead, these same leaders, are arming other nations and transferring their resources for committing war crimes, and then hypocritically talk about their ‘rule-based society’ with a straight face and nary an iota of shame. The population of these countries just keep quiet, like sheep to the slaughter, and do not take their leaders to task. And the so-called free press, just parrot the propaganda spewed by these leaders as if it was the gospel truth. Even Alice, despite all her training in wonderland, would have found such geopolitics impossible to navigate.

Wars are the worst things to be involved in by any country. Countries at war, or supporting their friends to fight in wars, devote all their free capital to arms manufacturing and/or procurement to the virtual exclusion of all other issues. As a result, their economies get neglected, leading to lower demand for cargoes and, therefore, a lower demand for shipping capacity.

Elections:

The link between elections, and how they could harm or assist the global economy, depending on who is the victor, are important, and impact shipping, therefore it behooves us to follow the many elections that took place in the world during 2024 or as the Economist has called 2024 “The Biggest Election Year in History”, the most important of which was the USA Presidential elections. Many populist leaders are promoting deglobalization, near-shoring, friend-shoring, and other market distorting policies. If such leaders get elected, they could have a significant negative impact on shipping demand while increasing inflation through their deglobalization policies.

Inflation:

Inflation is another enemy of growth as central bankers raise interest rates to fight inflation and bring it under control. Corporates struggle with higher interest rates and are unlikely to go in for major capital expansion projects involving and/or increasing their labor work force. Without capital expenses and increase in the labor work force, economies will not expand and will shrink the demand for cargoes needed, and ergo shipping demand will perish on the poisonous vine of inflation and higher interest rates. Geopolitics interferes in the world of economics, and world trade in a very big way. Look at the war in Ukraine that is going strong after 35 months. That has resulted in sanctions galore, making life difficult, if not impossible, for many innocent shipowners, trade flows first stopping from the Black Sea to Turkey and other nations of North Africa and the EU at the start of this war, then resuming after 5 months or so into this war, then again stopping for a short while at the start of the second half of 2023, and as Q3 moved into Q4 of 2023, going full blast as if there was no disruption from the first hot war in Europe since 1945.

Sanctions:

S&P Global puts the ‘dark fleet’ at 889 units above 27K-dwt, of 111.6m-dwt, representing 17% of the global tanker fleet. The fleet is growing by 10 vessels monthly, reflecting a shift in shipping practices to evade sanctions and presenting challenges to maritime regulation and transparency. With the ‘dark fleet’ proliferating especially in crude tankers, using STS operations off Malaysia, Greece, and other coastal states, to disguise the origin of their cargoes, coastal states are [sitting on a ticking time bomb](#) when an ‘uninsured’ tanker gets hit by another ‘uninsured’ tanker or a non-dark fleet ship, resulting in a colossal oil spill with no recourse to the IG’s insurance covers. Coastal states will find themselves faced with unanticipated costs arising out of the sanctions imposed by the West on oil exports from Iran, Venezuela, and Russia, that has given birth to the ‘dark fleet’ of ‘uninsured’ ships. As a result, the West has threatened to ‘check’ any older tankers transiting the Baltic Sea for their valid insurance papers. If the ‘shadow’ tanker is unable to provide the required paperwork, they will be denied free access and sailing rights through or near their waters. To counter this move, Russia has threatened to have its naval assets ride shotgun for the ‘shadow fleet’, and ensure these ships have free and unrestricted right of navigation in the Baltic Seas and the English Channel. There are rumblings that the ‘dark fleet’ could lead to a ‘shadow recycling’ market for the remnants of the unwanted ‘dark fleet.’ This could dash all the years spent by the maritime industry to make recycling ‘green.’ And now we have the additional fear of these ‘shadow tankers’ being abandoned, with no traceable owner, most likely not even gas freed, with another explosive accident just around the next corner.

Inequality:

One of the SDGs of the UN is to lift people out of poverty. That has happened in China to a very large extent and the consumption of meat there has skyrocketed. Dry bulk ships carry animal feed ingredients where volumes have shot up to cater to this meat-eating orientation achieved in China. Poorer people eat vegetables but as they get into the middle class their diet becomes meat-rich, and when they become superrich i.e., part of the 1% elite of the world, they go back to an organic, whole plant-based, vegetarian diet. Luckily for dry bulk there are many billions more people that are in the middle class, or those that will soon reach that status, and start to consume a more meat-rich diet, thereby increasing the demand for animal feed ingredients, compared to the much, much smaller numbers that will graduate into the 1% elite. White meat needs 2.5 kilos of grain per kilo of live weight conversion, and red meat needs upwards of 6 kilos of grain to make one kilo of live weight. The

connection between inequality and dry bulk demand is, therefore, quite apparent. The lower the inequality, the greater the demand for meat-rich diets increases the demand for animal feed ingredients, and hence, demand for dry bulk ships.

Apple shares have rallied 33% this year, adding almost \$870 billion in value, and propelling the iPhone maker's market capitalization to \$3.9 trillion. The stock, which reclaimed the title of the most valuable company earlier this year, has fallen in just four sessions this month. Reaching a market cap of \$4 trillion would mean it's worth more than the bottom 43% of the S&P 500 companies combined.

Nvidia hit a market cap of \$3.66 trillion on Monday, 6 January 2025, more than double the market caps of all the chipmaker's competitors combined. Nvidia emerged as the biggest global gainer in market capitalization for 2024, driven by surging interest in AI and the robust demand for its AI-centric chips across various industries. The chipmaker's market value increased by over \$2 trillion in 2024. However, shortly after this milestone, Nvidia's stock experienced a dramatic decline following the launch of DeepSeek, an AI model from a Chinese startup that promises comparable performance to established models like OpenAI's ChatGPT but at significantly lower costs. On January 27, 2025, Nvidia shares plummeted by over 18%, erasing approximately \$600 billion from its market capitalization in just one trading session, marking one of the steepest one-day losses in US stock market history. This sell-off reflects investor concerns about the competitive threat posed by DeepSeek's innovative and cost-effective approach to AI technology, challenging Nvidia's dominant position in the market.

Homelessness in the US soared to its highest level since the federal government began keeping track nearly 20 years ago, driven by high rents and a lack of affordable options but also a crush of migrants claiming asylum at the US border with Mexico. Almost 772,000 people were counted as homeless on a single night in January 2024, an 18% increase over the prior year's count, which itself set a record for the number of homeless people nationwide.

Walt Disney has agreed to pay \$43.3 million to settle a lawsuit alleging that its female employees in California earned \$150 million less than their male counterparts over an eight-year period. What a paltry fine, just 29% of what they did not pay. Deterrent fines should be at a minimum of 2 to 3 times what they did not pay.

SpaceX is said to be in talks to sell insider shares that would value the rocket and satellite company at about \$350 billion. Elon Musk's empire has swelled in value since the presidential election, with Tesla up 42% and the value of xAI more than doubling since its last raise in May. However, for the second time, a Delaware judge struck down his monster pay package as excessive (it was worth \$101.5 billion on 2nd Dec close) even after shareholders thought it was OK. Tesla's board will appeal.

Delaware's Court of Chancery approved a settlement on Wednesday forcing some current and previous Tesla board members to return around \$920 million in compensation deemed to be excessive. The decision ends a five-year legal battle.

An article dated 4th December, in TradeWinds, states that Cargill, the largest private company in the US, is to lay off 5% of its staff, about 8,000 employees, before the end of 2024. However, the executive team will not be affected.

The largest intergenerational wealth transfer in US history is about to take place, moving about 80% of the wealth held today, though most Americans are unlikely to inherit much money at all. About \$105 trillion is projected to be passed down by older generations over the next quarter century, an amount roughly equal to global gross domestic product in 2023. Yet, the share of the US population that will benefit from inherited money has remained static, a sign of how accumulating family wealth has become more concentrated among the most affluent households.

Oxfam reported in 2024, billionaire wealth increased by \$2 trillion, growing at a rate three times faster than the previous year and an average of \$2 million added to a billionaire's wealth every day. According to Oxfam, 60% of billionaire wealth comes from inheritance, monopolies, or cronyism, making much of it undeserved. The number of billionaires rose to 2,769, with an average of nearly four new billionaires created each week. So once again, the rich get richer, and the poor get poorer, what an unequal world we live in.

Another report by [Oxfam and Development Finance International \(DFI\)](#) found that 90% of countries are implementing policies that worsen economic inequality. The 2024 Commitment to Reducing Inequality (CRI) Index shows that 84% of countries have reduced spending on key public services like education and healthcare, and 81% have undermined their tax systems' ability to tackle inequality.

[Bernie Sanders in his recent video](#) explaining why America is the capital of the Oligarch class in the world, shows how influential extreme wealth is and how it helps destroy democracy. Oligarchs leverage their extreme wealth to influence the results of elections, thereby dramatically increasing the influence the Oligarch class has on the outcome. In this America, the three wealthiest men (Elon Musk, Jeff Bezos, and Mark Zuckerberg) own more wealth than the bottom half of US society, over 165 million people. And their wealth is skyrocketing. Musk, alone, is now worth over \$450 billion and, combined, these three men are worth \$955 billion. And it is not just these three men. The top 1% in the US now own more wealth than the bottom 90%, and the gap between the very rich and everyone else is growing wider every day.

British billionaire financier Lord Michael Spencer told the Financial Times that he believes CEOs in the country should be paid as much as the UK's top soccer stars. [Spencer also compared compensation to that in the US](#), a place he says, "want their chief executives to be paid like football stars." The median FTSE 100 [chief executive pay](#) amounted to £4.1m last year, while bosses of S&P 500 companies in the US were paid a median of \$16m. Meanwhile, the average annual salary of Premier League football players is about £2.1m, according to FT research.

The [inequality gap between the Global North and the Global South has widened](#), and more of the latter countries are suffering from debilitating debt burdens. This, in turn, has exacerbated poverty, fueled migration, and sown distrust.

Trump 2.0

Picks:

Howard Lutnick, who owns Potem & Partners and GFI, has been selected to head the Commerce Department that takes care of trade policy. We hope that he is more selective on tariffs than his boss, avoiding another trade war with China. Protectionism may strangle the US economy's productive capacity while lower taxes, deregulating control over business, higher spending, or deporting illegal immigrants, risks reigniting inflation. Trump's plans to ramp up trade tariffs gained momentum as he selected Jamieson Greer, a man who [described China as a "generational challenge" to the US](#), as his trade representative. [Kevin Hassett was picked](#) to direct the National Economic Council, which advises the president on policy. It all adds to the unease in global halls of power over the [president-elect's trade policies](#). Trump has chosen [Paul Atkins](#), a Beltway conservative, [cryptocurrency fan](#) and former SEC commissioner to lead the US SEC. If confirmed, Atkins is expected to focus on slashing regulations and reducing penalties for securities violators. The plans for the "Department of Government Efficiency" laid out by Elon Musk and Vivek Ramaswamy [are riddled with legal problems](#), from constitutional flaws to looming conflicts of interest. Trump picked venture capitalist David Sacks to become the White House's [AI and crypto policy champion](#). In Sacks, a former PayPal exec, Trump is tapping one of his [most prominent](#) Silicon Valley supporters and fundraisers, with the aim of making America the "clear leader" in both areas. The president-elect also named ex-Senator David Perdue as ambassador to China, a choice that could be seen as an olive branch to Beijing amid a [raft of tit-for-tat trade moves](#). Tulsi Gabbard, Donald Trump's nominee to be America's [most senior intelligence official](#), has secretly met with Assad and [defended Putin's war on Ukraine](#). Viewed as "compromised" and even a ["Russian asset"](#) by Democrats who, along with some Republicans, vehemently oppose her becoming national intelligence director, Gabbard now faces a broader coalition of opponents. Almost 100 former diplomats, intelligence community members and national security officials from both parties have urged the Senate to have closed-door hearings on her nomination, allowing for a broad review of [all classified government information](#) on the former Congresswoman.

Latest Business:

Trump's latest business is appropriately named Trump Media and Technology Group (TMTG). As of now TMTG is the parent company of Truth Social, the Twitter-like social media site, and a [recently released](#) free streaming app Truth+. Trump holds no formal role at the company, but he is its largest shareholder, with a 54% stake. Social media, however, [has the ability to influence public opinion](#). That alone creates a whole new set of ethical and democratic quagmires, especially in a world where we are addicted to scrolling on our phones, and where much of the public's news consumption has been reduced to short snippets via social media.

Promises:

Here is the extremely long list of everything [Trump said he would do on "Day One"](#) of his new administration. Trump [told Republican Senators](#) that he is preparing around 100 executive orders for the first day of his presidency. President [Trump signed a huge number of executive orders](#): Pardons for January 6 insurrectionists, withdrawing from WHO, boosting fossil fuels, deporting immigrants, saving TikTok, rolling back DEI policies in the federal workforce, exiting the Paris Agreement on climate change, designating that there be only two sexes, among many others.

Tariffs:

Tariffs could hit profits of [US automakers](#), especially GM, and raise prices of SUVs and pickup trucks for US consumers. GM employs 125,000 people in North America; a decline in sales of its Mexico-made cars could hurt its profit for the entire region, putting pressure on payrolls on both sides of the border. While the company that imports goods into the US directly pays the tariff, that cost is inevitably passed on to the consumer via higher prices; Tariffs could also push prices higher for fertilizer imported from Canada at a time when farmers are paying nearly [50% more for fertilizer](#) than in 2020; About [70% of crude oil barrels](#) imported from Canada go to Midwest US refiners that supply an area that includes Chicago and Detroit. Many of those Midwest refiners are configured to run heavier oil and would either struggle to find a direct replacement for Canadian oil or face [paying a higher price](#) if that oil is subject to tariffs. That could drive up fuel costs in the Midwest; US consumers would feel the impact at grocery [stores and restaurants](#), with items being out of stock. Some [steel producers in Canada and Mexico are informing](#) customers that they will not accept new orders from the U.S. due to worries that President Donald Trump may soon reinstate tariffs. Trump has indicated plans to impose tariffs of up to 25% on both countries by February 1. Although Canada and Mexico were previously exempt from a broad 25% steel tariff during Trump's first term, there is growing apprehension that this exemption may not be granted again. Canada is the largest source of imported steel for the U.S., while Mexico ranks third. Mexico's main avocado-producing state feels tariffs would not throttle demand. It would generate an inflationary spiral, with an [increase in costs and prices, resulting in an increase in inflation hurting consumers](#). China announced an outright ban on exports of several materials with high-tech and military applications, in a tit-for-tat move after US President Joe Biden's government escalated technology curbs on Beijing; Here is a short, but interesting video, on what is the real meaning of tariffs on the common man in America; to better understand what tariffs do to those enacting them, [this short video provides a clear explanation](#). In the meantime, what most people seem to have not understood, is that China has not stood still since Trump 1.0. China has adapted to the tariffs, and nontariff barriers that the USA has erected during the last 8 years, and today is the leading purveyor of robotics, EVs, and AI. But the [recent article in the New York Times, written by Thomas Friedman](#) is worth the read as he encapsulates clearly what all China has achieved in the 5 years since Friedman last visited China. And Braemar Research adds that steel exports to US from China totaled 1.7 MMT in 2017, and by the end of this year it would be down to just 700K out of a total of 111.1 MMT of annual steel exports from China. Tariffs on such insignificant amounts will make no difference to China and neither to the US as 700K represent just 2.5% of the expected total imports of 30 MMT of steel into the US in 2024. Commodity markets are bracing themselves for the fallout from Trump's [threatened tariff war](#). Trump [threatened the EU with tariffs](#) if its member countries don't buy more American oil and gas. The president-elect's array of threatened tariffs, including up to 60% on China and around 20% on all other nations, could derail global economic growth, force a realignment of trade flows, boost inflation and lead to tighter monetary policy. But it's equally possible that none of these things will

occur if the tariff threats turn out to be nothing more than negotiating tactics as is captured by the quote at the start of this report. But [Trump's tariffs pose a big risk](#): They could backfire, lifting already-high consumer prices at the grocery store, rocking the shaky stock market or killing jobs in a full-blown trade war. "This may be the biggest own goal yet," Mary Lovely, senior fellow at the Peterson Institute for International Economics, told CNN in a phone interview. "This is a huge gamble. It's a recipe for slowing down the economy and increasing inflation." The Wall Street Journal went a step further, publishing [a scathing op-ed on Saturday](#) (1 February 2025) titled: "The Dumbest Trade War in History." The op-ed argued that Trump's justification for an "economic assault" on Canada and Mexico "makes no sense" and warned the strategy could end in disaster. President Trump has [agreed to delay tariffs on Canada and Mexico for 30 days](#) following negotiations with Prime Minister Justin Trudeau and President Claudia Sheinbaum. And there you have it, the difference between campaign rhetoric and reality, or as diehard Trumpers would say 'he did it again!'

End Ukraine & Middle East Wars:

Ukraine:

Trump promised to end Ukraine and the current middle east wars quickly. Ukraine may be pressured to agree a truce, as it is losing ground. The US and UK decisions to allow Ukraine to use long-range missiles to attack targets in Russia appears to be a reaction to the deployment of North Korean troops in Europe. Putin's reply – redefine nuclear protocols and fire a hypersonic missile at Dnipro. The Russian economy is facing a moment of truth as Putin's dwindling cash reserves raise odds of a cash collapse. Trump, an opponent of helping Ukraine, selected Keith Kellogg, an 80-year-old, former general opposed to American aid to be [special envoy](#) for Ukraine and Russia. Russia's foreign minister's words are the latest in [a transmission of indications from Moscow](#) that they're ready for some kind of settlement with Ukraine. Volodymyr Zelenskiy has indicated a willingness to talk as well. Trump said he would end the Ukraine war by the time he is inaugurated on Jan 20. Trump advisers now concede that the [Ukraine war will take months or even longer to resolve](#), a sharp reality check on his biggest foreign policy promise, to strike a peace deal on his first day in the White House.

Gaza:

Trump named Massad Boulos, [the Lebanese-American father-in-law of his daughter Tiffany](#), as his senior adviser on Arab and Middle Eastern affairs. Boulos was a key player in Trump's election campaign among Arab American voters in key swing states like Michigan. All these factors keep us guessing if the wars in the middle east will continue or come to an end as promised by Trump. This interesting [video of a debate at Oxford](#) tries to enlighten the listeners about what is going on at Gaza. Amnesty International accused the state of Israel of [committing genocide](#) against Palestinians in Gaza in a report published on 5th December 2024, an allegation Israel denied. In this [interview](#), former PM of France, [Dominique De Villepin](#), explains how the world can get out of the mess that is the middle east using justice and diplomacy as his corner stones for achieving what seems to be an intractable problem. Former Israeli defense minister Moshe Yaalon has [accused Israel of committing war crimes](#) and [ethnic cleansing](#) in the Gaza Strip. 'The International Order is Dying in Gaza', written by Nobel Peace Prize winner Mohammed ElBaradei, states "the ongoing war between Israel and Hamas has dealt a particularly crushing blow to the system. The gross violations of international humanitarian law to protect civilians' beggars' belief. In fact, the atrocities committed against civilians, first in Israel and now in Gaza, are evil in its purest form. These despicable acts should be at the top of the priority list for the International Criminal Court prosecutor and addressed in International Court of Justice proceedings. We must halt this descent into the abyss. The cavalier disregard for the principles and norms of international law, such as limitations on the right to self-defense, and the [willful blocking of the Security Council](#) from [fulfilling its "primary responsibility](#) for the maintenance of international peace and security," have been unconscionable. Senior UN humanitarian officials on the ground in Gaza have used phrases like "hell on earth" and "humanity giving up" to express their desperation. Few seem to be listening." Christiane Amanpour, interviews Israeli-American, [Omer Bartov, Professor of Holocaust and Genocide Studies](#) at Brown University, after his recent visit to Israel. It is a short interview and worth watching fully.

Lebanon:

With the accession to power of General Aoun, ultra vires the constitution of the country but supported by US, UK, and Israel, the US has guaranteed IDF's withdrawal from Southern Lebanon within the 60 days in accordance with the signed agreement that ended the war but has not stopped the daily IDF bombing raids nor fresh incursions by their ground troops into Southern Lebanon. With General Aoun as the new President of the country, the hope is that the war between Israel and Hezbollah will have come to an end.

Syria:

The collapse of Bashar Al-Assad's rule in Syria has the world on watch for more Mideast chaos. US airstrikes hit dozens of Islamic State targets in central Syria. Oil prices climbed. Assad and his family fled to Moscow, ending a brutal dynasty that saw him inherit power in 2000 with promises of reform, only to suppress his opponents in a war that claimed hundreds of thousands of lives. The resulting power vacuum has put the world on alert and prompted moves from the US and Israel. In Syria, rebel forces advanced on Homs and Kurdish fighters took control of the eastern desert. In this interesting, short interview Geir Pedersen, the UN's top official on Syria, discusses the fall of Assad, Israel's seizure of Syrian land, the role of Jolani, and whether the UN failed the Syrian people. Israel struck hundreds of targets in Syria and sent troops deeper into the country, as the rebel groups that toppled Bashar Al-Assad's regime started to form a transition government.

Yemen:

Israel, joined by the US and the UK, have now started bombing Yemen, as the wars in Lebanon, Gaza (please see the interview with Omer Bartov under Gaza) and Syria are at an end. The 'allies' are now intent on finishing off the Houthi resistance.

The IMO and Regulations:

Shipping is a global industry with its very own global regulator, the International Maritime Organization (IMO), under the auspices of the United Nations. The issue is that the system adopted and preferred by the IMO is to get consensus agreement from the 175 or so countries that are its 'shareholders.' As a result, the IMO ends up uniformly dissatisfying everyone via the consensus route. The IMO is now at the crossroads of deciding a carbon tax that will be taken up by its Maritime Environment Protection Committee, MEPC 83, between 7/11 April 2025. If passed, the CO2 tax will become mandatory by the start of 2027, and that will obviate and override all local rules and regulations like the EU ETS, etcetera. What should have been done by the start of 2025 will now, hopefully begin at the start of 2027. More on all these new regulations in the section that is specially devoted to it.

In an article in Splash dated 29 January 2025, it states, "Scrubbers have become the tool of choice for many shipowners to meet low sulphur regulations, but environmentalists argue they poison the seas. A study on the atmospheric and oceanic effects of scrubber residues and operations has seen environmentalists take their concerns to the IMO in a bid to see all scrubber technology banned. Pacific Environment, which monitors the ecological effects of pollution on the land and populations of the Pacific rim, announced the findings of its study "Poison in the Water," which concludes that scrubber wastewater is highly toxic.

COP29 was almost a total failure. Two weeks of difficult negotiations came to the brink of collapse at the UN climate summit in Azerbaijan. The final \$300 billion deal was the result of behind-closed-door negotiations involving a small group of sleep-deprived negotiators in a tiny room at Baku Olympic Stadium. However, the maritime industry is faring better than other hard-to-abate industries. We have a single global regulator, the IMO that has a climate strategy and has passed regulations covering EEDI, EEXI, and CII. The IMO's MEPC83 will finalize fuel standards, and a carbon tax. More than 50 maritime leaders signed a Call to Action to achieve 5-10% (a well-established target tipping point) adoption of green fuels like ammonia and methanol by 2030. Zero-emission fuels and technologies require updated training under the IMO's Standards of Training, Certification and Watchkeeping for Seafarers (STCW) Convention. COP29 reinforced many of the LR Maritime Decarbonization Hub's priorities, such as advancing fuel adoption programs, developing safety

frameworks and scaling investment. However, it also highlighted the need for greater collaboration. Whilst the event did not deliver everything that was hoped for, it helped to shine a spotlight on the maritime industry's position as a leader among hard-to-abate sectors, which is a notion not often entertained from within the industry.

Source: Loyd's Register of Shipping.

Climate Change:

Climate change could reduce demand for grain if large grain consuming nations increase their crop yields via technology or with the right amount of rain at the right time, that helps increase their crop output. This would be good news for such nations but bad news for shipping demand. But climate change could more likely increase demand for grain when large grain consuming nations are hit by freaky weather that reduces their grain yield and output, requiring imports from faraway lands. All such extreme weather changes will require more power, more materials to fortify against fierce storms, greater movement of grain cargoes where crops are damaged or devastated by inclement weather patterns on land, and greater recycling efforts for older ships, than was the case when weather patterns were more normal. Congestion, resulting from freaky, unexpected, and severe weather patterns on land, longer ton-miles at sea for carrying raw materials to generate the additional power required, carry the rebuilding materials required to fortify and repair the fixed objects damaged or destroyed by severe storms making landfall, replacing grain crops ravaged by typhoons and hurricanes, will result in additional increase in ton-miles at sea, creating greater demand for shipping space.

Scientists predict that the world's largest iceberg, A23a, will break apart within a month after escaping a whirlpool it was trapped in January 2024 and being carried toward Antarctica. According to the WMO, around 90% of the extra heat caused by global warming is absorbed by the oceans, making ocean heat levels a key measure of climate change. Andrew Meijers, deputy science leader of the Polar Oceans Team at the British Antarctic Survey (BAS), noted that the iceberg is now clearly within the Antarctic Circumpolar Current and will continue to move northeast toward South Georgia. As the iceberg moves northward, the temperature is expected to rise, accelerating the melting process. However, it isn't unknown for bergs to make it much further north, and if it manages to ride a fast ocean jet, it could potentially make it closer to South Africa. If A23a were to reach South Africa, then the routing around the COGH could become that much more challenging and further delay all ships taking the longer route between Asia and the West.

Kim Zou, Co-founder and CEO of Sightline Climate, says, "The timeline for the nuclear technology to become 'real,' is 5 years according to venture capitalist Vinod Khosla. Investors and tech companies have poured money into fusion due to its promise to provide clean power for data centers."

A study, done for the very first time, concludes that 88.3 million tons of CO₂ are stored in forests, marshes, and mangroves, adjacent to surf breaks.

Amid ongoing deadly wildfires in Los Angeles, which weather experts, including the WMO, attribute to the effects of climate change—such as longer periods of dry, warm, and windy weather combined with earlier rains that spurred vegetation growth, the UN agency reported that 2024 marked the end of a decade-long trend of record-breaking temperatures.

Europe's Copernicus observation agency confirmed on Friday, 10 January 2025, that 2024 was the hottest year on record, with average surface temperatures 1.6C above preindustrial levels after greenhouse gas emissions hit a new high.

It seems that China's GHG emissions may have peaked this year, much before the 2030 deadline given by President Xi Jinping, as China's adoption of green renewable energy has been astounding. China will set another record for solar power installations in 2024 even as the industry producing the equipment suffers from falling prices and profit margins. The country will install 230 to 260 gigawatts of solar capacity in 2024. That will top the record of 217 gigawatts set in 2023. China's EV boom is pushing gasoline demand off a cliff. According to official statistics, sales of EVs and hybrids have reached a tipping point. China will emit 0.2% more carbon dioxide in 2024 than in 2023, according to the Global Carbon Project, which has a forecast range that also

includes a potential decrease. The numbers indicate that a potential watershed moment in the global warming fight is in sight. China's crude oil imports are [on track to peak as soon as in 2025](#) as transport fuel demand begins to decline for the world's top crude buyer, ending the country's decades-long run as the dominant driver of expanding oil consumption. Chinese climate experts are more confident emissions will peak early. [About 44% of those surveyed](#) by the Centre for Research on Energy and Clean Air think emissions have already peaked or will by 2025.

Chinese locations [made 16 out of the top 20](#) most climate-vulnerable places on Earth. (Areas with lower numbers of residential, commercial, and industrial buildings [were not included](#) in the ranking.) China connected one of the [world's largest ever solar projects](#), the 4-gigawatt facility, located in the Taklamakan Desert, to the grid on Wednesday, 18 December 2024.

AI is threatening Japan's green goals. The nation's new draft energy strategy sees electricity generation [jumping as much as 22% through 2040](#). The rapid rollout of massive power-hungry data centers jeopardizes the transition to cleaner fuels.

Italy's power producers are set to generate more electricity [from clean power](#) sources than from fossil fuels this year for the first time, marking a major energy transition milestone for Europe's fourth-largest economy.

Australia says it's on track to meet its 2030 climate goal. The nation's emissions are [projected to fall 42.6%](#) below 2005 levels by the end of the decade.

August 13 through September 8 is the peak Hurricane Season when an average of 3 named storms strikes the US. During the peak period, not a single named storm came ashore, yet there were 5 named Cat 3 to Cat 5 storms, and a [total of 11 storms](#) compared to the [average of 7](#), that struck the US this season (Jun-Nov). Hurricane Francine struck Louisiana, Helene a Cat 4 storm, [killed at least 214 people](#) with landfall in Florida, and a few days later, [Hurricane Milton](#), briefly one of the strongest hurricanes ever observed in the Atlantic basin, hit the Tampa Bay region. Climate change is the likely culprit, with Atlantic waters near [record temperatures of 32C](#), compared to the threshold of 26C when hurricanes form. [Waters in June in the Atlantic Ocean's](#) main hurricane region were warmer by a record 1.83C. A [new study by the nonprofit Climate Central](#), attributes the extra-warm waters adding more energy and increasing top wind speeds to a much higher level than expected, creating these above-average extraordinary records.

Ski resorts are feeling the heat [as winter loses its chill](#). The number of days at or below 0°C is dwindling in the Northern Hemisphere.

Scientists said climate change is [making the Philippines more vulnerable to tropical storms](#). The unprecedented formation of four typhoons around the Philippines in November was made 70% more likely because of global temperature rises, according to them.

Big US utilities' climate goals are in peril as [AI turbocharges electricity demand](#) and Donald Trump's reelection signals policy shifts that would favor fossil fuels. These companies all have ambitious targets to cut their emissions, most often to reach "net-zero" by 2050.

[Coal's share of the world's power generation in 2023 was 35%](#), making it the biggest source of electricity, according to climate think tank Ember.

Americans throw away 2,150 pieces of clothing every second. Fashion accounts for up to [10% of global carbon dioxide output](#), more than international flights and shipping combined.

This year the entire US northeast coast may face an [elevated risk of interrupted electricity supply](#) especially if the winter is colder than anticipated.

A review of 70 countries' 2030 carbon-reduction goals showed [none of them are on track for a 1.5C future](#), and there's no sign wealthier countries are doing a better job tackling climate change, either.

In industrialized countries [like the US](#), people often consume far more meat than dietary guidelines recommend. Scientific data now overwhelmingly shows this is not only [bad for people's health, but also the](#)

planet. “Food systems are responsible for a [third of global greenhouse gas emissions](#), which is huge,” says Stacy Blondin, a behavioral science associate at World Resources Institute. According to a study published in Nature Climate Change in August, if the entire world were to adopt a diet consisting mostly of plants, current annual global dietary emission levels would drop [about 17%](#) compared to 2019 levels.

The [average annual growth rate of the US solar market](#) for the next five years will be 2%, according to a new Wood Mackenzie and the Solar Energy Industries Association report. And that’s without factoring in how President-elect Donald Trump could impact the industry.

In Norway 94% of new car sales are EVs. Thanks to targeted incentives, the country is within reach of a [goal to stop adding combustion engines next year](#). Today, EVs make up about 25% of cars on the road in Norway, with around 170 electric-powered models available.

[At least nine people](#), including seven children from one family, died in the eastern Democratic Republic of Congo after heavy rain triggered a landslide that swept away several homes.

The [death toll swelled to 28 people](#), with more than 100 feared missing from a landslide on the slopes of Mount Elgon. The Uganda Red Cross blamed the unusually heavy rains on climate change.

The forecast for [annual production and use of plastics](#) in 2040 is 736 MMT a 70% jump from 2020 levels, according to the OECD.

The [average global temperature reached 1.62C above pre-industrial levels in November](#), according to the EU-funded Copernicus Climate Change Service. It’s now “effectively certain” this year will be the warmest on record.

Several hundred people, and possibly even thousands, may have been killed when the [most powerful cyclone in nearly a century](#) hit the French Indian Ocean archipelago of Mayotte, a senior local French official said.

Flooding poses the greatest threat to supply chains in 2025, as warm ocean temperatures fuel more frequent and disruptive storms, including powerful hurricanes, according to a report from Everstream Analytics.

The world just experienced the first full year in which [global temperatures exceeded 1.5C above pre-industrial times](#), scientists said, as climate change pushes the planet’s temperature to levels never before experienced by modern humans.

Climate Change News:

Indonesian rescuers are [searching for survivors](#) buried in three cars and a bus at the base of a cliff after flash floods and landslides in the North Sumatra province kill at least 29 people; A landslide triggered by heavy rains buried dozens of homes across several villages in eastern Uganda hit by unusually heavy rainfall since October that has led to flooding and landslides in some areas. 15 people have died and more than 100 are missing in east Uganda; Three people have died and more than 80,000 have been evacuated from [floods across several Malaysian states](#), as officials warned the monsoon season could bring the country’s worst flooding in a decade; The housing market is increasingly tenuous as floods and fires make [parts of the planet uninsurable](#); AI has proven to be both a climate risk and a boon. Its energy consumption is responsible for keeping the [lights on at coal plants](#). But we’ve also seen AI applied to building [climate-friendly homes](#) and [improving hurricane forecasts](#); Southeast Asia battles heavy rains and flash floods. The deluge has disrupted farm work, interrupted power supplies and [forced thousands to evacuate](#); The wildfires in Los Angeles have killed people, destroyed thousands of homes, and are now likely to [exceed \\$50 billion in losses](#).

Bulk Shipping News:

Clarksons, on 17 December 2024, in their review of 2024 and prospects for 2025, explain the market for our sector as follows: ‘Geared cargo tonne mile is projected to grow by ~7% year-on-year in 2024, largely owing to (1) the redirection of grain cargoes due to Panama Canal disruption in the 1H24, (2) a sharp increase in tonne mile for construction and fertilizer cargoes due to reduced Suez Canal transits and (3) exceptional

support from consistently strong Chinese steel exports. The Supramax sector (45-69,999dwt) posted growth of 3.4% in 2024, higher than the estimated fleet growth in 2023. Chinese yards delivered 68% of Supramax newbuildings in 2024, with Japanese yards responsible for 24% of these. Deliveries are estimated at 171 vessels, while demolition across the Supramax fleet reached 15 ships of 0.7mdwt over Jan-Nov 2024. That is only half the amount of what was demolished in 2023. The Handysize fleet (10-44,999dwt) grew at a rate of 3.5% in 2024, a jump from 2023's rate of 2.2%, and was 2024's fastest growing sector in the dry bulk market. Chinese yards delivered 52% of Handysize new buildings in 2024, whereas Japanese yards were responsible for 45% of deliveries. Deliveries should reach 171 vessels by the end of the year. Handysize demolitions amounted to 21 ships of 0.5mdwt in the year-to-date, slightly higher than in 2023. Finally, the effective fleet growth in 2024 has been impacted by an increase in Chinese vessels categorized as 'domestic fleet' entering the international markets. The shift is caused by weaker coastal trade in China, where we have observed a significant drop in domestic coal shipment volumes. We estimate that compared to the end of 2023, an additional 17 Panamax, 32 Supramaxes and 58 Handysizes have been effectively transferred from domestic trades to international markets for the year 2024. The number of stationary Supramax and Handysize vessels (as a % of the active fleet) has barely changed this year although the average for the 11 months disguises less congestion earlier in the year and more since July. This could reflect the increase in Panama Canal transits and associated waiting time from Q3 as well as the pickup in steel exports from China into Southeast Asia and the Middle East over the same period. Overall congestion remains relatively high for the geared sector and unlike the larger sizes of the dry bulk fleet, they have not returned to pre-Covid levels of efficiency. The Geared sector saw average vessel speeds fall by 1.2%. For the Geared segment, 2,261 ships went into dock, compared with 2,043 in 2023. The average time in drydock fell in 2024, limiting the impact on tonnage availability. Looking forward to 2025, we expect the relative effects of drydocking to have a much larger impact on effective fleet growth than usual. According to drydocking schedules, more than 3,000 dry bulkers are due for their special survey in 2025 (on top of thousands more vessels from other shipping sectors). This is followed by almost the same number of bulkers in 2026 and 2027. We estimate, therefore, that the surge in dry docking could cut 0.6% off average effective fleet growth for the total dry bulk fleet in 2025. However, should congestion develop and average waiting time increase, there is the real potential for effective fleet growth to narrow, posing an upside risk to freight rates. While construction-material trade is expected to provide a degree of support to earnings in 2025, the year-on-year increase is expected to slow on 2024 levels, partly owing to softer demand growth and a normalization in Panama Canal transits. Meanwhile, a decline in grain volumes on Supras and Handysize vessels could see average Geared earnings return to a discount vs their Panamax counterpart. However, the floor for Handysize earnings is expected to remain relatively elevated owing to the logistical constraints and high earnings across containership markets. Fleet growth remains a downside risk to 2025 Geared markets. Indeed, we project around 180 Supramax (45-69k dwt) vessels will join the fleet next year, the highest number of deliveries since 2016. Upside risks to the forecast include a further reduction in Suez Canal transits (thus forcing ships into longer-haul routes) and any sudden increase in construction demand – such as from the Black Sea with any concord reached in the war in Ukraine. Downside risks include a very sharp reduction in congestion and a deterioration in the economic climate that pushes back investment and development into the construction sector. Meanwhile, any loss of Chinese steel export volumes could also place further downside pressure on earnings. Any normalization in Suez Canal transits will leave the Geared market exposed to a sharp correction in tonne mile, whilst also reducing upside support from strong containership earnings.'

Other Shipping News:

Newbuild activity has been strong this year, with a firm flow of orders taking the total so far to 156.2m dwt. Containership ordering in TEU has this year run close to record levels, LPG carrier ordering has set a new high, whilst LNG carrier and tanker ordering have been firm too. Newbuild volumes in 2H-24 (55.1m dwt) have been more moderate than in the first half (101.0m dwt), with shipping market sentiment more mixed of late, though 2H has seen another surge of containership ordering (>3.7m TEU since start May) led by the major liners. In terms of dwt contracted, 2024 looks set to be the largest year since 2013 (180.3m dwt), though still well below the all-time high seen in the 2000s ordering 'boom' (2007: 265.0m dwt). However, in terms of CGT

(69.2m so far) and US\$ investment (\$190.2bn), 2024 is on track to be the most active year since 2007 (97.1m CGT, \$266.4bn). The S&P market has also been very busy and the year to date has seen 1,961 reported secondhand sales of 111.5m dwt, although it has again slowed since the summer. Activity this year has been supported by near record bulker sales volumes and strong tanker and container activity against a backdrop of firm market conditions supporting buyer demand, high pricing offering a return on assets for some sellers and with some owners using the secondhand market to progress fleet renewal plans with newbuild prices and yard lead times elevated. 2024 is the fourth year in a row in which volumes have surpassed 100m dwt, a mark which had not been exceeded prior to 2021's record 143.2m dwt (each year has also seen an aggregate sales value of >\$US45bn). Secondhand prices, especially for bulkers and tankers, reached very firm levels in the summer, but have eased since. 2024 will have been a highly active year for shipping's asset markets. Combined newbuilding and S&P activity in dwt (ytd: 267.7m) looks on track to be close to 2021's post financial crisis high (285.3m dwt), and in terms of investment value, 2024 (ytd: US\$237.3bn) will be the biggest total since 2007, despite a slowdown into 2H. Come end 2024, shipping assets markets will have seen a year to remember. (Clarksons – 13 Dec 24)

International Maritime Organization (IMO) Conventions:

The International Maritime Organization (IMO) conventions are continually updated to address the growing need for improved environmental protection. The stringent standards introduced by the IMO have spurred research and development in innovative technologies for the shipping industry. 2024 marks the 50th anniversary of the adoption of the 1974 SOLAS Convention, a cornerstone IMO treaty governing maritime safety.

The theme for IMO's 2024 World Maritime Day, celebrated on 26 September, was **“Navigating the Future: Safety First!”** This theme highlights IMO's commitment to advancing maritime safety and security, safeguarding the marine environment, and ensuring its regulatory framework keeps pace with rapid technological advancements and innovation.

Digitalization and automation are transforming the shipping industry, introducing cutting-edge technologies that enhance safety, security, and operational efficiency. These innovations optimize performance, reduce environmental impact, and promote sustainability.

By leveraging these advancements, the shipping industry is improving its overall efficiency and competitiveness, enabling more effective ship design, construction, and operations. This progress supports the handling of larger cargo volumes, cost reductions, and improved customer satisfaction.

Decarbonization in Shipping: Regulatory Framework Overview

The regulatory landscape for reducing greenhouse gas (GHG) emissions in the shipping industry is complex and rapidly evolving. Both the European Union (EU) and the International Maritime Organization (IMO) are implementing regulations that will significantly impact costs associated with GHG emissions in the coming years.

As part of the EU's **‘Fit for 55’** initiative, shipping was incorporated into the EU Emission Trading System (ETS) in 2024. In 2025, the **FuelEU Maritime** regulation will come into effect. Meanwhile, the IMO is progressing on its **2023 GHG Strategy**, which aims to achieve significant decarbonization goals through a “basket of mid-term measures.” These measures include a goal-based fuel standard (technical element) and a GHG pricing mechanism (economic element), both slated for adoption in 2025 and implementation around mid-2027.

In **July 2023 (MEPC80)**, the IMO formally adopted its strategy for reducing GHG emissions from ships, setting clear targets:

- 1. Carbon Intensity Reduction:** Decrease the average carbon intensity (CO₂ emissions per transport work) of international shipping by at least 40% by 2030, with efforts toward 70% by 2050, compared to 2008 levels.
- 2. Total GHG Emissions Reduction:** Cut total annual GHG emissions from shipping by at least 50% by 2050, striving for complete elimination within this century, relative to 2008 levels.

3. **Green Energy Adoption:** Ensure that zero or near-zero GHG emission technologies, fuels, and energy sources constitute at least 5%, striving for 10% of energy used by international shipping by 2030.
4. **Indicative Checkpoints for Net-Zero:**
 - By 2030, reduce the total annual GHG emissions from shipping by at least 20%, aiming for 30%, compared to 2008.
 - By 2040, achieve reductions of at least 70%, striving for 80%, compared to 2008.
5. **Net-Zero Ambition:** Strive to achieve net-zero GHG emissions for international shipping by or around 2050, considering varying national circumstances, and align efforts with the Paris Agreement's long-term temperature goals.

The **2008 baseline year** serves as the reference point for these targets, while **2050** is a critical milestone aligned with the Paris Agreement. IMO's ambitious strategy will rely on a combination of short-, medium-, and long-term measures.

Recent amendments to **MARPOL Annex VI** require ships to adopt technical and operational measures to reduce carbon intensity. Moving forward, mid- and long-term measures will demand significant innovation and the widespread adoption of greener fuels and advanced technologies, furthering the global push toward sustainable maritime operations.

IMO Regulations: The International Context

The International Maritime Organization (**IMO**) established new greenhouse gas (GHG) reduction targets during the Marine Environmental Protection Committee (**MEPC 80**) meeting in July 2023. Previously, the IMO's 2018 targets included a 40% improvement in fuel efficiency by 2030 (compared to 2008 levels) and a reduction of total GHG emissions by 50% by 2050, aiming for zero emissions "as soon as possible this century."

New Targets and Ongoing Developments

- The 2023 targets aim for a 70-80% reduction in GHG emissions by 2040 and net-zero GHG emissions around 2050.
- Measures such as the IMO Data Collection System (DCS), Energy Efficiency Existing Ship Index (EEXI), and Carbon Intensity Indicator (CII) regulations were reviewed at MEPC 81.
- A comprehensive 'IMO net-zero framework' for regulatory amendments in MARPOL Annex VI is expected to be adopted by autumn 2025 and enforced by mid-2027.

Energy Efficiency Design Index (EEDI) for New Ships

The **EEDI** mandates phased improvements in energy efficiency for new ships:

1. Phase 1 (2015-2019): 10% reduction in carbon intensity below the reference line.
2. Phase 2 (2020-2024): Up to 20% reduction in carbon intensity.
3. Phase 3 (2025): 30% reduction, though for some ship types (e.g., containerships, LNG carriers), this phase was advanced to April 2022.
4. Phase 4 is under consideration for introduction in 2027.

EU Regulations: Monitoring and Emission Reduction

The **European Union (EU)** complements IMO efforts through regulations like:

- **EU-MRV:** Monitoring, reporting, and verifying fuel consumption for ships over 5,000 GT.
- **EU ETS:** A cap-and-trade system requiring emission allowances for CO₂ emissions from ships over 5,000 GT.
 - Covers 40% of emissions in 2024, 70% in 2025, and 100% in 2026.
 - Includes methane (CH₄) and nitrous oxide (N₂O) emissions from 2026.

FuelEU Maritime Regulation (Regulation (EU) 2023/1805)

Effective 1st January 2025, FuelEU Maritime sets well-to-wake GHG intensity requirements for energy used by ships over 5,000 GT.

- **Reduction Targets:**
 - 2025-2029: 2% reduction (compared to 2020 levels).
 - 2030-2034: 6% reduction.
 - 2050: 80% reduction.
- **Scope of GHG Intensity Requirements:**
 - 100% of energy used within EU/EEA voyages and port calls.
 - 50% of energy used on voyages to/from outermost EU/EEA regions.
 - 50% of energy used on voyages into/out of the EU/EEA.

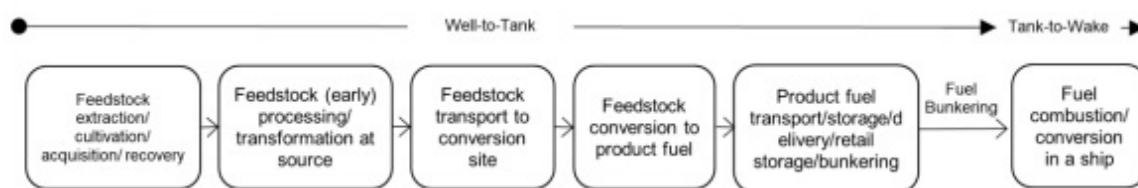
The regulation incentivizes the adoption of renewable fuels and technologies, such as wind-assisted propulsion, and calculates emissions using the **Global Warming Potential (GWP)** over a 100-year horizon (GWP100).

Impact and Outlook

The combined regulations from the IMO and EU will significantly influence the shipping industry, driving innovation and adoption of greener technologies while imposing substantial costs on vessel owners. These efforts align with global decarbonization goals and aim to position shipping as a key player in achieving net-zero emissions by 2050.

For low/zero-carbon fuels, such as hydrogen, ammonia and biomass-based fuels which are expected to become more widely used in the future to decarbonize ships, it has been recognized that GHG emissions during manufacturing and distribution processes of these fuels should be taken into account. It is also recognized that GHG other than CO₂, such as methane (CH₄) and nitrous oxide (N₂O), may cause significant impact on global warming.

At MEPC81 session, the amendments (the detailed evaluation method and quantification of parameters for emissions from biofuel production, GHG emission intensity for electricity used during fuel production (well-to-tank), evaluation method for GHG emissions onboard ships (tank-to-wake), etc.) to the life cycle GHG intensity of marine fuels (LCA Guidelines) were made and adopted as the 2024 LCA Guidelines.



Source: IMO

Alternative Compliance Mechanisms in FuelEU Maritime

FuelEU Maritime provides several **alternative compliance mechanisms** for ships that do not meet the required greenhouse gas (GHG) intensity levels. A key component of these mechanisms is the **compliance balance**, which must be calculated for each ship as part of its annual reporting.

- **Compliance Balance Definition:**
 - **Positive Compliance Balance:** Achieved when a ship's actual GHG intensity is below the required level, indicating emissions are better than the standard.
 - **Negative Compliance Balance:** Occurs when a ship's actual GHG intensity exceeds the required level, indicating non-compliance.

- **Alternative Compliance Mechanisms:**

1. **Banking and Borrowing:** Ships can carry forward a positive compliance balance to the following year or borrow from future balances to address shortfalls.
2. **Pooling:** Ships may combine their compliance balances with other vessels to collectively meet the required GHG intensity standards.

IMO Regulatory Developments and Alignment with FuelEU Maritime

The International Maritime Organization (**IMO**) is advancing regulations to reduce GHG emissions from international shipping. As of October 2024, the IMO has established the '**IMO net-zero framework**', which outlines the necessary amendments to MARPOL Annex VI. These amendments are expected to be adopted by autumn 2025 and come into force around mid-2027.

If the IMO adopt new regulations, the EU will review the **FuelEU Maritime** framework to align with the IMO's ambitions and avoid overlapping or duplicative regulations. This alignment ensures a cohesive global approach to decarbonizing the shipping industry while maintaining regulatory efficiency.



Source: ClassNK TJ

Operational Measures: Carbon Intensity Indicator (CII) and Enhanced SEEMP

The **Carbon Intensity Indicator (CII)** is an operational measure applicable to ships of **5,000 GT and above**, aligning with the IMO's Data Collection System (IMO-DCS) for fuel consumption.

CII Requirements (from 2023):

1. **Annual Calculation:** The attained operational CII is calculated over a calendar year (1 January to 31 December).
2. **Annual Reductions:** Ships must demonstrate progressive reductions in carbon intensity from 2023 to 2030, achieving at least a 40% reduction by 2030 compared to 2008 levels.

CII Ratings:

Ships receive an annual **CII rating** (A to E), with A being the best. The rating is based on the **Annual Efficiency Ratio (AER)** and emissions data submitted through IMO-DCS.

- Ships rated **D** for three consecutive years or **E** for one year must develop a corrective action plan to improve efficiency to at least **C**.

Enhanced SEEMP (SEEMP-III):

As per MARPOL Annex VI, ships must develop an enhanced **Ship Energy Efficiency Management Plan (SEEMP-III)**, which includes:

1. The ship's CII rating and the methodology for calculating the attained operational CII.

2. The required CII for the next three years.
3. An implementation plan detailing how the required CII will be achieved.
4. Reporting processes to the Flag State for verification.

PSL Fleet Compliance:

- The enhanced SEEMP-III has been certified by the vessel's Class and placed onboard.
- From **1 January 2024**, all our ships received a **Statement of Compliance (SoC)** covering verified fuel consumption, attained CII, and annual ratings.

Verification and Audits:

- Periodic audits will ensure compliance with SEEMP and corrective action plans for ships rated E in any year or D for three consecutive years.

Phased Carbon Intensity Reductions

Under MEPC-76, a phased reduction approach was approved, targeting:

- A **2% annual carbon intensity reduction** (relative to the 2019 reference line) from 2023 to 2026.
- A review in 2026 to assess further strengthening of reduction rates.

The combination of technical (EEXI) and operational (CII, SEEMP-III) measures ensures that the shipping industry progresses toward IMO's decarbonization targets while enhancing energy efficiency and sustainability.

Year	Annual reduction factor (from 2019 reference)
2023	5%
2024	7%
2025	9%
2026	11%
2027-2030	Still to be decided

Failure to make regular improvements can result in a ship's CII rating declining over time, as the targets become progressively stricter each year. This could lead to significant consequences, including loss of earnings and restrictions on trading, providing a strong incentive to enhance energy efficiency.

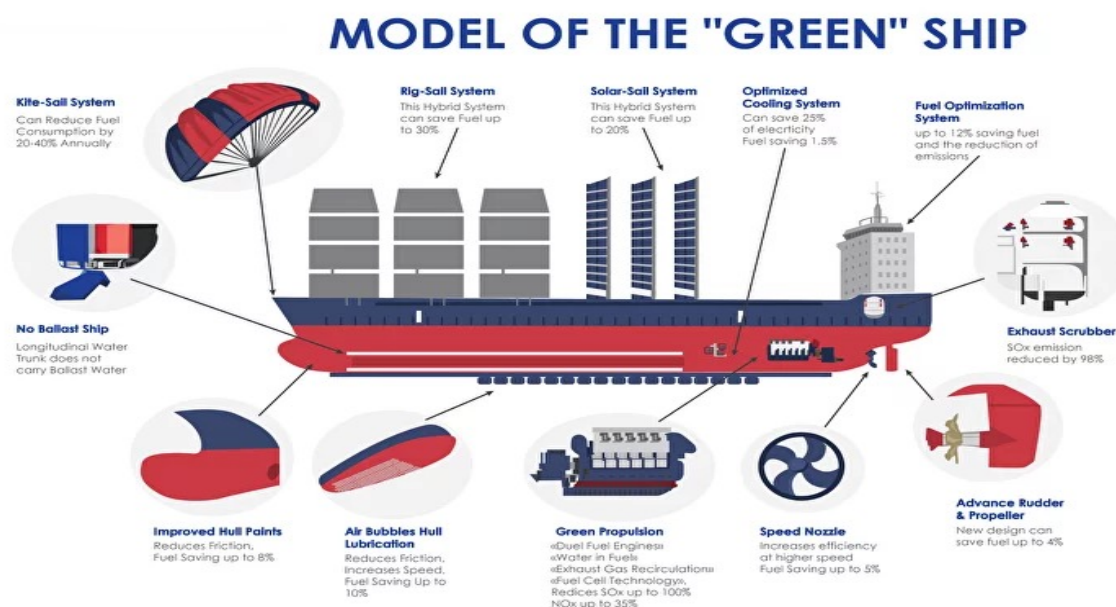
The table below shows the average CII ratings for each vessel type in PSL's fleet, as verified by the Recognized Organization (NKK for PSL's fleet).

VESSEL TYPES	2022			2023			2024		
	NO.OF VSLs	CO2 EMITTED - MT	AVE CII-GMS/TON-MILE	NO.OF VSLs	CO2 EMITTED - MT	AVE CII-GMS/TON-MILE	NO.OF VSLs	CO2 EMITTED - MT	AVE CII-GMS/TON-MILE
CEMENT CARRIERS	4	44,476.70	13.60	4	44,718.23	15.27	4	41,808.28	13.10
HANDY-SIZE	17	195,721.21	7.52	17	210,967.64	6.71	20	190,408.45	6.41
SUPRAMAXES	9	144,056.00	5.98	9	152,163.23	5.45	8	126,926.74	5.52
ULTRAMAXES	8	107,570.12	4.43	8	117,742.69	4.25	8	120,062.92	4.29
TOTAL	38	491,824.03	7.14	38	525,591.79	6.80	40	479,206.39	6.03

The table indicates that the average CII for PSL's fleet of vessels in 2024 was 6.03 grams of CO2 emitted per tonne-mile.

Other Industry Developments and Emerging Technologies

The **maritime finance** and **chartering sectors** have acknowledged their critical role in promoting greener shipping practices. Initiatives such as the **Poseidon Principles** and the **Sea Cargo Charter** have been established as frameworks to align the interests of financial institutions, charterers, and cargo owners with the IMO's greenhouse gas (GHG) reduction strategy. These initiatives aim to ensure that investments and operational decisions in the maritime industry support global decarbonization goals.



Source: *Internet -Marine digital*

Surge in Alternative-Fueled Vessel Orders

The number of **new orders for alternative-fueled vessels** has reached an impressive **335**, reflecting a **25% increase** compared to the same period in 2023. This significant growth underscores the industry's ongoing transition toward greener and more sustainable maritime solutions.

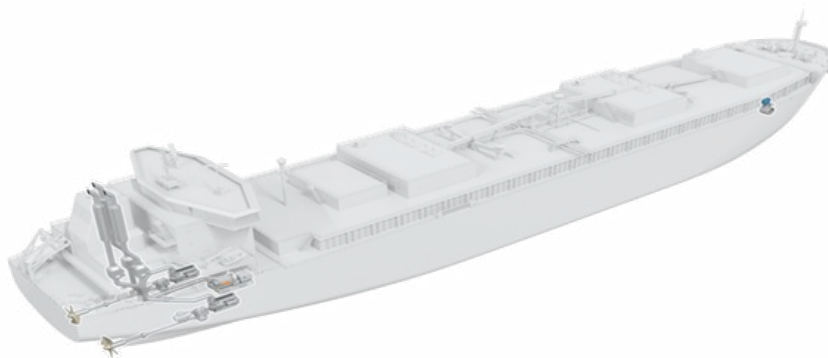
The container vessel segment has been the primary driver, accounting for approximately two-thirds of all new orders in the third quarter. Additionally, there have been 26 new orders for gas tankers and 13 new orders for car carriers.

Pioneering Alternative Fuel Vessel Projects Announcements in 2024

NovaAlgoma's Cement Carrier Order:

NovaAlgoma, a joint venture between Nova Marine Group and Algoma Central Corporation, has commissioned the construction of the world's largest cement carrier with a capacity of 38,000 DWT. The vessel is being built at Zhejiang Xinle Shipbuilding Co., Ltd and is expected to be launched in late 2026. It will be the first cement carrier to feature a methanol-ready design, allowing for future adoption of alternative fuels. Additionally, the vessel is already secured under a long-term contract with a key historical client of Nova Marine Group.

One of its key innovations is an air lubricating system that injects micro air cavities beneath the ship's flat bottom. This system significantly reduces seawater resistance, improves fuel efficiency, and lowers fuel consumption, contributing to reduced emissions and supporting sustainability goals. This pioneering vessel not only represents a major advancement in the cement carrier segment but also sets a new benchmark for integrating innovative technologies in maritime transport.



Source: [Marineinsight](#)

Jiangnan Shipyard's Nuclear powered container ship:

China's Jiangnan Shipyard has unveiled a conceptual design for what could potentially become the world's largest nuclear-powered container ship. The ship's design earned an Approval in Principle certificate from DNV. The vessel will be powered by molten salt reactors and will have the capacity to carry 24,000 standard containers. The design uses Molten Salt Reactors, operating under high temperature and low-pressure conditions, mitigating the risk of a reactor meltdown from the outset.

The entire ship adopts an all-electric solution, with a propulsion system featuring dual motors, dual shaft propellers, and dual rudders for heightened installed power, speed, and maneuverability. The primary power source is a supercritical carbon dioxide generator set, and the nuclear power system employs a compact modular design, ensuring high efficiency and true 'net-zero' emissions. Compared to low-sulfur oil and various alternative energy solutions, this ship type offers a shorter length, increased container spaces, and enhanced space and energy utilization.



Source: [Offshore-Energy](#)

ESL's Handysize orders

Finland's ESL Shipping, owned by Helsinki-listed Aspo Group, has contracted four 17,000-dwt handysizes at China Merchants Jinling Shipyard. The ice-class 1A vessels will run on green methanol and described as "top of the market in terms of cargo capacity, technology and innovation." ESL has an option to build "several" more vessels under the contract. Delivery of the firm 150-metre bulkers will take place in 2027 and 2028. The design has been drawn up by Finland's Deltamarin after testing at the SSPA facility in Sweden. The battery hybrid drive, cargo handling equipment and other technologies involved come from European companies. ESL is already building a series of 12 small electric-hybrid bulkers at Chowgule Shipyard in India with other investment partners.

MOL's Newcastlemax orders

Mitsui OSK Lines has pivoted its fuel choice from LNG to ammonia for its latest Newcastlemax bulk carriers ordered at Qingdao Beihai Shipbuilding Heavy Industry, China to build four 210,000-dwt new buildings to be delivered between 2027 and 2028. It will bring the tally of Newcastlemax bulkers that MOL has on order at the Chinese shipyard to 11. The company's earlier seven new buildings, four ordered in 2022 and three in 2023, are dual-fuel ships that run on LNG and conventional fuel. For the latest four vessels, it has switched to ammonia. MOL is believed to be the fifth company to have picked ammonia as a fueling choice for Newcastlemax bulker newbuildings. The other four companies are Saverys family-controlled Compagnie Maritime Belge, Eastern Pacific Shipping, Berge Bulk and K Line.

PSL's Training Department

Introduction

PSL management prioritizes investment in training to maintain competitiveness and address evolving challenges in the maritime industry. The PSL Training Department reflects this commitment through its in-house training programs, designed to enhance the skills and competencies of the company's seafaring staff. These initiatives empower employees while driving organizational growth and ensuring long-term success.

As an autonomous unit, the PSL Training Department focuses on developing the expertise of seafarers across PSL's fleet. This dedication to continuous learning and professional development ensures that the workforce is equipped to handle the diverse and complex responsibilities of modern shipping operations.

Courses Conducted by PSL Training

PSL Training provides a wide array of programs, including licensing courses and tailored training sessions.

Flagship Course: Maritime Resource Management (MRM)

Objective: Enhance safety, teamwork, and resource management by addressing human capabilities and limitations.

Target Audience: Ship officers, engineers, pilots, and shore-based personnel.

Accreditation: Licensed by ALL Academy International AB, a leading training provider in human factors and resource management.

Impact: Recognized as one of the most effective methods to improve crew cooperation and minimize risks from human error.

Additional Courses

- Bridge Team Management (BTM)
- Bridge Team Competency (BTC)
- Officer of the Watch (OOW)
- Chief Mate Course (CMC)
- Command Course
- Electronic Chart Display and Information System (ECDIS): Includes mandatory familiarization training.
- Shipboard Safety Course (SSC)
- Maritime Professional Briefing (MPB)
- Maritime English Training: Offered across five proficiency levels for deck and engine departments.

Specialized Training

- Vessel Traffic Separation (VTS) and Standard Marine Communication Phrases (SMCP): Integrated into BTM and MRM courses to improve communication skills through VTS officer simulations.
- Advanced courses on fuel-efficient engines, stern tube sealing systems, hydraulic cargo gear, and ballast water treatment systems, in collaboration with PSL's Technical and New Projects Departments.
- Engineer-Specific Programs
- Engine Room Management and Competency Enhancement (EMC) for senior engineers.
- Engineer on Watch (EOW) for junior engineers.
- Specialized training for Electrical Officers, Technical Superintendents, and engineers on advanced electronic systems and regulatory compliance (e.g., low sulfur caps and CO2 emissions).

Training Highlights for 2024

2024 marked a significant year for PSL's professional development programs, combining online and onsite training. Key achievements include: 20 courses conducted, attended by 1,542 seagoing officers and crew members.

Key Changes in 2024

Introduction of Mental Health Awareness Training

Program Overview: Conducted for senior seagoing staff by the Dean of the Faculty of Psychology and his team from Saint Louis Medical College.

Objective: Equip participants with skills to recognize early signs of mental health challenges in themselves and their crew.

Outcome: Fostered a healthier, more supportive work environment for seafarers.

By continuously enhancing its training initiatives, PSL reaffirms its commitment to creating a skilled, resilient, and future-ready workforce.

Summary of courses conducted in 2024:

Course Name	No. of Participants in 2024	Man/day in 2024
Maritime Resources Management	194	582
Bridge Team Competency - I	61	183
Bridge Team Management and Competency	104	312
Maritime Professional Briefing	147	588
Officer of The Watch	30	90
Chief Mate Course	49	147
COMMAND	27	54
ECDIS	90	270
It's my ship	119	595
RT – Flex	51	255
RT Flex Operation & Practical Advanced	57	285
ME Course	54	270
ME Engine Advance Troubleshooting	70	350
ME – B Control System Standard Ops	122	488
Basic English	87	870
Elementary English	88	880
Intermediate Eng – I	26	260
Intermediate Eng – II	30	300
SSC	57	57
Mental Health Training	79	79
Total	1,542	6,915

Challenges for 2025

At **PSL Training**, we believe that continuous improvement and development are fundamental to achieving sustained success. With this mindset, we strive to explore innovative ways to motivate and engage our seagoing officers and crew in lifelong learning.

A primary challenge for 2025 is: “**How can we position ourselves as the preferred choice for the younger generation of seafarers?**”

Recognizing that the new generation of seafarers has distinct expectations and characteristics compared to their predecessors, PSL Training has proactively developed strategies to inspire and support them.

New Initiatives for 2025

- **Engaging Digital Content:** Utilizing popular social media platforms to create and share engaging content that enhances the knowledge and skills of seagoing staff.
- **Cadet Engagement:** Maintaining regular communication with cadets from MMTC and other maritime universities to provide guidance, support, and mentorship throughout their learning journey.
- **Recognizing Excellence:** Continuing the tradition of awarding **Gold Medals** to outstanding performers, a practice that has become a prestigious achievement among students.

Commitment to Excellence

We are dedicated to refining our training methodologies to:

- Equip seagoing staff with enhanced knowledge and skills.
- Help them excel in their roles.
- Ensure adaptability to meet the evolving demands of the maritime industry.

By embracing these initiatives and addressing the needs of the younger generation, PSL Training aims to remain a leader in professional development and a preferred partner for aspiring seafarers.

Joint Venture:

International Seaports (Haldia) Pvt Ltd: This is now our only investment in Ports in the Haldia Dock Complex (about 22.4% of the total capital) under our port projects investments. This JV continues to operate very well, and we have to-date received total dividends of USD 6.74 million, which works out to about 331% of our original Investment made in years 2002-2003.

In Conclusion

Demand:

The environment for 2025 is going to be characterized by extreme volatility, as it was for 2021, 2022, and 2023, for the same reason, that demand-supply came into near perfect balance during 2021. Downside risks for 2025 will include, amongst others, geopolitical tension hot spots like Ukraine, Israel, and Taiwan; China importing lower quantities of coal and iron ore; real estate, steel production, cement and aluminum manufacturing slowing down and negatively impacting GDP rates in China; tariffs in USA hurting their economy; interest rate in USA, and other major economies, not dropping quickly enough; higher oil prices negatively impacting world economic growth rates; and protectionism increasing. But it is not all doom and gloom. The upside potential for 2025 consists of, amongst others, fiscal and monetary stimulus by governments; China lowering interest rates, increasing their fiscal deficit to 4%, the highest in the last three decades; lowering reserve ratio requirements of their banks, lowering mortgage rates, and providing steel intensive stimulus; China importing more high-grade iron ore as they maintain steel production; China importing more coal to reduce pollution, to dampen higher prices for domestic coal, and to supply the increased electricity demand from their

AI industry; slower ordering of new ships due to challenging regulations covering fuels of the future, lack of traditional finance sources for 'new fuel burning ships that could become stranded assets'; the US economy may continue to outperform expectations and grow more strongly than forecast; and weaker currencies in the Euro zone and Japan helping them to export their economies out of trouble. Most importantly, with geopolitical tensions around Ukraine, Israel, and Taiwan; China rescinding its unofficial ban on coal imports from Australia; and the Chinese government adding as much stimulus as needed to keep their economy chugging along at a brisk pace, should all assist the demand side of the equation at a time when the supply side shows no signs of growing at anything but the slowest pace on record this century.

Supply:

Under the current conditions, approximately 15.09% (155.28 MDWT) of the existing world fleet would be over 20 years of age by the end of 2028 if no ships are recycled between 2025 and 2028. These ships would come under tremendous financial pressure due to the upcoming regulatory requirements. Depending on how challenging the freight markets turn out to be and the increasing regulatory pressure on older ships in the period 2025 to 2028 many of these ships would be forced to take the decision to head to the recycling yards in Asia.

With respect to the 10.64% of new ships (109.53 MDWT) scheduled to be delivered to the end of 2028, the lack of funding for fuel burning ships coupled with slippage in deliveries at shipyards would help slow down their arrivals into the freight market.

Financing:

As we began the year 2024, the specter of a long-awaited global recession still loomed large, though economists seemed to have lost their appetite for forecasting imminent doom after being spectacularly wrong in 2023. Despite persistent pessimism, global growth defied expectations yet again and is expected to come in at 3.2%, according to the IMF. The United States is expected to record a robust 2.8% GDP growth in 2024, reflecting a moderated but still healthy pace. China's GDP growth is expected to be a steady 4.9%, while India's GDP is expected to grow at about 6.4%. Europe remained the outlier, with growth stuck at a tepid 1%, as the continent continues to grapple with the aftereffects of the Russia-Ukraine crisis, which led to higher energy costs.

Many a Cassandra dominated the mainstream news media, painting a pallid picture of China's economy due to its anemic property and consumer sector. Yet, China defied these prophets of doom and proved its mettle by importing record amounts of iron ore, coal, and grains in 2024. While it is true that the property and consumer sectors continued to struggle in 2024, the property sector is likely in remission as the Chinese government's property stimulus measures will almost certainly affect a turnaround in its fortunes. Indeed, China's industrial sector silently marched on unscathed to achieve greater heights even as its property and consumer sectors were gasping for breath.

The shipping industry's financial market activity during the year was mixed. Shipping equity volumes dropped 15% y-o-y to \$5.48 Bn even as shipping bond issuances touched a 10 year high of \$12.57 Bn. Strong cash reserves built up during the boom years of 2021 and 2022, combined with increased bond issuances, have reduced reliance on loans and leases, resulting in loan and lease volumes decreasing by 15% y-o-y. The largest IPO in 2024 was HD Hyundai Marine Solution, which raised USD 538 Mn on the Korean Exchange, followed by Bhagwan Marine Limited, which raised USD 52.4 Mn on the Australian Securities Exchange.

2024 was an active year for Precious Shipping in terms of financing activity. We issued sustainability-linked bonds (SLBs) totaling THB 1.36 billion (USD \$40 Mn), guaranteed by the Credit Guarantee and Investment Facility (CGIF), a trust fund of the Asian Development Bank (ADB). This was no ordinary bond issuance—it was a first-of-its-kind in Asia's shipping sector and a milestone for PSL in our sustainability journey. The issuance, made up of two tranches with maturities of five and ten years, was privately placed with institutional investors and high-net-worth individuals under the ASEAN+3 Multi-Currency Bond Issuance Framework (AMBIF). This transaction marks a pivotal moment for us, as it allows us to secure long-term funding, diversify financial sources, and extend the maturity of our debt—all while reducing our reliance on traditional bank loans. Backed by CGIF's

AAA credit rating from TRIS, this initiative demonstrates our commitment to building a more sustainable future. Our target is ambitious: by 2034, we aim to reduce CO₂ emissions per transport work by 38.54% compared to the baseline year of 2019, going beyond the standards set by the International Maritime Organization (IMO). The Asian Development Bank played a crucial role in supporting us throughout the development of our Sustainability-linked Finance Framework. This framework aligns with both the ASEAN Sustainability-linked Bond Standards and the International Capital Market Association's principles, ensuring global best practices are followed. The framework received a Second Party Opinion from Lloyd's Register, while UOB Thailand was our lead underwriter for the transaction. This bond issuance is just one step on our journey toward decarbonization and reflects our deep commitment to responsible growth.

In addition, during the year, we entered into four loan agreements raising USD 70.58 Mn in aggregate. These lines add to our war chest of liquidity and enable us to take advantage of growth opportunities.

With the largest order intake in 17 years, 2024 was an incredibly active year for the global shipbuilding industry with contracts totaling 66m CGT and \$204bn placed. Container (4.4m TEU of orders), gas (25.9m cbm) and tankers (53.9m dwt) were the "stand out" segments while China consolidated its lead position, taking two thirds of orders, and is the only major producer expanding capacity. On the other hand, dry-bulk newbuild ordering remained somewhat subdued, constrained by high prices and limited yard availability. Further, the timeline for future fuels entering the shipping mainstream has been further delayed due to concerns about fuel availability and the commercial viability of operating ships with such fuels. This prolonged uncertainty provided us with the impetus to order four newbuilding Ultramax vessels, acquire five modern secondhand Handysize vessels and sell three of our older, less fuel efficient vessels during the year. A much-needed step since the average age of our fleet had crept up to 12 years at the beginning of 2024.

Concluding Remark:

The dry bulk markets will be somewhere between 2023 and 2024 for all the reasons stated in our Crystal Ball Gazing section, with greater risks to a breakout on the upside should one or all the factors given therein work in favor of ship owners.

Considering all the above, we are taking advantage of the opportunities that are present in the market. We hope to deliver to all our stakeholders the promise of this potential. This will, in no small measure, be due to the very dedicated and hardworking professionals that make up the office, as well as the floating staff at PSL.

**For and on behalf of the Board of Directors of
Precious Shipping Public Company Limited**



Chaipatr Srivisarvacha

Chairman of the Board of Directors



Khalid Moinuddin Hashim

Managing Director

10 February 2025

Sources: For the convenience of readers, this report includes links to publicly available news sources, including but not limited to Bloomberg, Reuters, Fortune, Business Insider, The Wall Street Journal, and CNN. All rights to such content remain with their respective owners

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Part

CORPORATE STRUCTURE & BUSINESS OPERATIONS



BUSINESS OVERVIEW

Precious Shipping Public Company Limited (PSL or the Company), established in 1989 and listed on the Stock Exchange of Thailand in 1993, owns and operates dry bulk ships on a tramp shipping basis. The corporate structure of PSL, similar to other global shipping companies, comprises separate subsidiaries owning each vessel (sometimes 2 or 3 vessels).

As of 31 December 2024, PSL operates 40 dry bulk ships including 4 cement carriers (the “Fleet”), amounting to 1,737,504 DWT in aggregate. The Fleet comprises 19 ships that are registered under the Thai flag and 21 ships that are registered under the Singapore flag. 8 ships are in the Ultramax sector, 8 ships are in the Supramax sector and the balance 24 ships (including 4 cement carriers) are in the Handy Size sector of the dry bulk market.

PSL is one of the world’s largest pure dry cargo ship-owning companies operating in the Geared (10,000 to 69,000 DWT) sector of the tramp freight market. The Geared sector consists of 2 sub-sectors which are 1) Handy Size sector, ships with 10,000 - 44,999 DWT, and 2) Supramax / Ultramax sector, ships with 45,000 - 69,999 DWT. Historically, the Company operated mainly in the Handy Size sector. However, the Company’s strategy has been to expand its fleet by acquiring larger, younger, modern and fuel-efficient vessels, as explained hereunder in “Nature of Business and Industry” of this Annual Report.

PSL’s Fleet is technically managed by Great Circle Shipping Agency Ltd, Bangkok, a wholly-owned subsidiary of PSL that is ISO 9001 and ISO 14001 certified, which makes it one of the very few dry bulk ship management Companies that is compliant with an Environment Management System certification.

- **Vision & Mission Statement:**

To be the most distinguished Shipping Company in the world, providing an exemplary level of services and solutions to facilitate global trade

- **Core Values:**

Integrity, Innovation, Sustainability, Tradition and Safety

- **Ongoing Commitments:**

- >> **Focus on people, operations, and technology**

PSL recognizes the importance of human capital in the growth and success of its business. Therefore, we strive to enhance the competence and skills of our employees by conducting a range of in-house training and development programs for employees across the organization.

PSL is committed to continuous advancement and automation of its operations to ensure the highest level of operational efficiency. Further, we are committed to implementing latest technologies to improve operational efficiencies and reduce our environmental impact.

- >> **Concern for society**

Community development is in our DNA. Over the years, we have made significant donations to community schools as well as provided scholarships to deserving students at the Merchant Marine Training Centre and various such activities since 1995.

- >> **Concern for the environment**

We take our obligation to reduce the environmental impact of our business very seriously. We have measurably reduced emissions by replacing our fleet of older vessels with modern fuel-efficient vessels. In addition, we have undertaken a number of fuel-saving measures such

as installing mewis ducts on the propellor of ships, regular cleaning of the external underwater hull and propeller so that frictional losses are kept to a minimum; usage of efficient hull coatings (anti-fouling paints), avoiding wastage of electric power on board and implementation of active weather routing on voyages to increase efficiency. We are committed to burning only low sulphur fuel while avoiding equipment such as scrubbers that cause acidification of the ocean.

PSL's Changes and Important Developments during the past 3 years (between 2022 and 2024)

2022

- **A long-term charter of M.V. Sarika Naree**

On 10 January 2022, the Company notified the SET that an Ultramax vessel in its fleet, M.V. Sarika Naree, was fixed on a 11-13 month charter to Umang Shipping Services Ltd. commencing 10 January 2022 at a gross variable rate equivalent to 115% of the Baltic Exchange Supramax Index (BSI) weighted time charter average value over the previous 15 days.

- **A long-term charter of M.V. Savita Naree**

On 31 January 2022, the Company notified the SET that an Ultramax vessel in its fleet, M.V. Savita Naree, was fixed on a 11-13 month charter to Umang Shipping Services Ltd. commencing 28 January 2022 at a gross variable rate equivalent to 115% of the Baltic Exchange Supramax Index (BSI) weighted time charter average value over the previous 15 days.

- **Interim Dividend No. 3/2021**

On 14 February 2022, the Board passed a resolution approving an Interim Dividend No. 3 for the year 2021 based on the retained earnings as of 31 December 2021 of Baht 0.50 per share. The Record Date for the right to receive the dividend was 1 March 2022. The payment was made on 11 March 2022.

- **A long-term charter of M.V. Savitree Naree**

On 17 February 2022, the Company notified the SET that an Ultramax vessel in its fleet, M.V. Savitree Naree, was fixed on a 11-13 month charter to Umang Shipping Services Ltd. commencing 15 February 2022 at a gross variable rate equivalent to 115% of the Baltic Exchange Supramax Index (BSI) weighted time charter average value over the previous 15 days.

- **A long-term charter of M.V. Sarita Naree**

On 4 March 2022, the Company notified the SET that an Ultramax vessel in its fleet, M.V. Sarita Naree, was fixed on a 12-14 month charter to Umang Shipping Services Ltd. commencing 3 March 2022 at a gross variable rate equivalent to 115% of the Baltic Exchange Supramax Index (BSI) weighted time charter average value over the previous 15 days.

- **Final Dividend for the year 2021**

At the Annual General Meeting of Shareholders of the Company No. 1/2022 held on Monday, 4 April 2022, the Shareholders passed a resolution approving a final dividend for the year 2021 based on the retained earnings as of 31 December 2021 of Baht 0.25 per share. The Record Date for the right to receive the dividend was 12 April 2022. The payment was made on 28 April 2022.

- **Change in the Board of Directors**

At the Annual General Meeting of Shareholders of the Company No. 1/2022 held on Monday, 4 April 2022, Ms. Lyn Yen Kok who retired by rotation, excused herself from being available for re-election.

- **Appointment of certain sub-committee members**

The following resolutions were passed by the Board at the Meeting of the Board of Directors of the Company No. 3/2022 held on Wednesday, 4 April 2022.

- The redesignation of the Risk Management Committee as the Sustainability and Risk Management Committee.
- Ms. Pensri Suteerasarn, Independent Director, as a member of the Audit and Corporate Governance Committee with effect from 4 April 2022.
- Ms. Pensri Suteerasarn, Independent Director, as a member of the Sustainability and Risk Management Committee with effect from 4 April 2022.
- Professor Dr. Pavida Pananond, Independent Director, as a member of the Nomination Committee with effect from 4 April 2022.
- The Amendment to the tenures of all sub-committee members (including Audit and Corporate Governance Committee members) from 2 years to a tenure that is coterminous with each member's tenure on the Board.

- **A long-term charter of M.V. Sarocha Naree**

On 20 April 2022, the Company notified the SET that an Ultramax vessel in its fleet, M.V. Sarocha Naree, was fixed on a 9-11 month charter to Pan Ocean Co., Ltd., South Korea, commencing 7 March 2022 at a gross fixed rate of USD 35,500 per day.

- **Interim Dividend No. 1/2022**

On 11 May 2022, the Board passed a resolution approving an Interim Dividend No. 1 for the year 2022 based on the retained earnings as of 31 March 2022 of Baht 0.50 per share. The Record Date for the right to receive the dividend was 25 May 2022. The payment was made on 8 June 2022.

- **Acquisition of two secondhand Vessels**

On 31 May 2022, the Company notified the SET about the acquisition of two secondhand Handysize Vessels, viz. M.V. NORDIC SEOUL and M.V. NORDIC BUSAN by the Company's Subsidiaries, Precious Stones Shipping Limited for M.V. NORDIC SEOUL and Precious Jasmines Limited for M.V. NORDIC BUSAN. The purchase price of M.V. NORDIC SEOUL was USD 25 million, and the purchase price of M.V. NORDIC BUSAN was USD 26 million, which was the market price.

- **Delivery of one secondhand 35,882 DWT Bulk Carrier**

On 13 June 2022, the Company's subsidiary took delivery of M.V. Phatra Naree (formerly known as M.V. Nordic Seoul). The vessel was registered in Thailand.

- **New Loan Agreement of USD 17.10 million with Bangkok Bank Public Company Limited, Singapore Branch**

On 21 June 2022, the Company notified the SET that on 20 June 2022, the Company's Singapore subsidiary, Precious Grace Pte. Ltd., (the "Subsidiary") as the Borrower and the Company as the Guarantor have executed a USD 17,100,000 term loan facility ("Loan Facility") with Bangkok Bank Public Company Limited, Singapore Branch. The purpose of the Loan Facility was to reimburse or refinance any shareholder's loan which was used to support the Borrower's operations and to provide intercompany loans to support the Guarantor's vessel acquisitions.

- **Delivery of one secondhand 35,882 DWT Bulk Carrier**

On 25 July 2022, the Company's subsidiary took delivery of M.V. Pavida Naree (formerly known as M.V. Nordic Busan). The vessel was registered in Thailand.

- **Interim Dividend No. 2/2022**

On 15 August 2022, the Board passed a resolution approving an Interim Dividend No. 2 for the year 2022 based on the retained earnings as of 30 June 2022 of Baht 0.50 per share. The Record Date for the right to receive the dividend was 29 August 2022. The payment was made on 12 September 2022.

- **Dissolution of the Company's subsidiaries**

On 5 September 2022, the Company notified the SET of the dissolution of 6 wholly-owned Thai subsidiaries of the Company ("Subsidiaries") viz, Precious Capitals Limited, Precious Diamonds Limited, Precious Garnets Limited, Precious Minerals Limited, Precious Moons Limited and Precious Resorts Limited. The reason for dissolution was due to the absence of any operations since the Subsidiaries did not own any vessels.

- **Three long-term charters**

On 3 October 2022, the Company notified the SET of the following recent long-term charters:

- A Supramax vessel in its fleet, M.V. Baranee Naree, was fixed on a 12-15 month charter to Intergis Co., Ltd., South Korea, commencing 1 October 2022 at a gross variable rate equivalent to 98% of the Baltic Exchange Supramax Index (BSI) weighted time charter average value over the previous 15 days.
- An Ultramax vessel in its fleet, M.V. Issara Naree, was fixed on a 12-15 month charter to Intergis Co., Ltd., South Korea, commencing 2 October 2022 at a gross variable rate equivalent to 115% of the Baltic Exchange Supramax Index (BSI) weighted time charter average value over the previous 15 days.
- A Handysize vessel in its fleet, M.V. Vipha Naree, was fixed on a 11.5-14.5 month charter to Navision Chartering A/S, Denmark, commencing 1 November 2022 at a gross variable rate equivalent to 102% of the Baltic Exchange Handysize Index (BHSI) weighted time charter average value over the previous 15 days.

- **A long-term charter of M.V. Wariya Naree**

On 5 October 2022, the Company notified the SET that an Supramax vessel in its fleet, M.V. Wariya Naree, was fixed on a 11-13 month charter to Stone Shipping Ltd, Bermuda, commencing 5 October 2022 at a gross variable rate equivalent to 86% of the Baltic Exchange Supramax Index (BSI) weighted time charter average value over the previous 15 days.

- **A long-term charter of M.V. Sunisa Naree**

On 10 October 2022, the Company notified the SET that an Ultramax vessel in its fleet, M.V. Sunisa Naree, was fixed on a 12-15 month charter to Intergis Co., Ltd., South Korea, commencing 10 October 2022 at a gross variable rate equivalent to 115% of the Baltic Exchange Supramax Index (BSI) weighted time charter average value over the previous 15 days.

- **A long-term charter of M.V. Chayanee Naree**

On 25 October 2022, the Company notified the SET that an Ultramax vessel in its fleet, M.V. Chayanee Naree, was fixed on a 12-15 month charter to Intergis Co., Ltd., South Korea, commencing 22 October 2022 at a gross variable rate equivalent to 98% of the Baltic Exchange Supramax Index (BSI) weighted time charter average value over the previous 15 days.

- **Interim Dividend No. 3/2022**

On 11 November 2022, the Board passed a resolution approving an Interim Dividend No. 3 for the year 2022 based on the retained earnings as of 30 September 2022 of Baht 0.50 per share. The Record Date for the right to receive the dividend was 25 November 2022. The payment was made on 9 December 2022.

- **Change in Management and Executive Board**

On 11 November 2022, the Company notified the SET that Mr. Prashant Mahalingam, who was Director (Technical) and Executive Director on the Executive Board of Directors (“Executive Board”) of the Company and had been with the Company since 1993, planned to retire from the Company in all capacities at the end of 2022. As such, the Board of Directors of the Company appointed Mr. Chandrasekhar Sivaraman Venkatraman who was then Vice President (Technical & Information Systems) and has been employed by the Company since 1992, as Mr. Prashant’s replacement as Director (Technical) and as Executive Director on the Executive Board with effect from 1st January 2023. Following the aforementioned appointment with effect from 1st January 2023, the Executive Board comprises of Mr. Khalid Hashim, Mr. Gautam Khurana, and Mr. Chandrasekhar Sivaraman Venkatraman.

- **A long-term charter of M.V. Sarocha Naree**

On 13 December 2022, the Company notified the SET that an Ultramax vessel in its fleet, M.V. Sarocha Naree, was fixed on a 12-15 month charter to Intergis Co., Ltd., South Korea, commencing 9 December 2022 at a gross variable rate equivalent to 116.5% of the Baltic Exchange Supramax Index (BSI) weighted time charter average value over the previous 15 days.

- **A long-term charter of M.V. Lanna Naree**

On 19 December 2022, the Company notified the SET that a Handysize vessel in its fleet, M.V. Lanna Naree, was fixed on a 10-14 month charter to Dampskibsselskabet Norden A/S, Denmark, commencing 18 December 2022 at a gross variable rate equivalent to 92.5% of the Baltic Exchange Handysize Index (BHSI) weighted time charter average value over the previous 15 days.

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- **A long-term charter of M.V. Latika Naree**

On 6 January 2023, the Company notified the SET that a Handysize vessel in its fleet, M.V. Latika Naree, was fixed on a 10-14 month charter to Dampskibsselskabet Norden A/S, Denmark commencing 5 January 2023 at a gross variable rate equivalent to 92.5% of the Baltic Exchange Handysize Index (BHSI) weighted time charter average value over the previous 15 days.

- **A long-term charter of M.V. Rattana Naree**

On 7 March 2023, the Company notified the SET that a Handysize vessel in its fleet, M.V. Rattana Naree, was fixed on a 10-12 month charter to Transcend Marine Pte Ltd., Singapore commencing 4 March 2023 at a gross variable rate equivalent to 89.5% of the Baltic Exchange Handysize Index (BHSI) weighted time charter average value over the previous 15 days.

- **An extension of the long-term charter of M.V. Savita Naree**

On 15 March 2023, the Company notified the SET that the long term charter of M.V. Savita Naree with Umang Shipping Services Ltd. has been extended for another 11-13 month commencing 15 March 2023 at a gross variable rate equivalent to 117% of the Baltic Exchange Supramax Index (BSI) weighted time charter average value over the previous 15 days.

- **A long-term charter of M.V. Savitree Naree**

On 3 April 2023, the Company notified the SET that an Ultramax vessel in its fleet, M.V. Savitree Naree, was fixed on a 11-13 month charter to Umang Shipping Services Ltd. commencing 2 April 2023 at a gross variable rate equivalent to 117% of the Baltic Exchange Supramax Index (BSI) weighted time charter average value over the previous 15 days.

- **Final Dividend for the year 2022**

At the Annual General Meeting of Shareholders of the Company No. 1/2023 held on Monday, 10 April 2023, at 10:30 hours by electronic means ("E-AGM"), the Shareholders passed a resolution approving a final dividend for the year 2022 based on the retained earnings as of 31 December 2022 of Baht 0.25 per share. The Record Date for the right to receive the dividend was 24 April 2023. The payment was made on 9 May 2023.

- **Appointment of a new Independent Director**

The Annual General Meeting of Shareholders of the Company No. 1/2023 held on Monday, 10 April 2023, at 10:30 hours by electronic means ("E-AGM"), the Shareholders passed a resolution approving the appointment of Ms. Qiyu (Jackie) Wang as a new Independent Director.

- **New Loan Agreement of USD 9 million with the IYO Bank Ltd., Singapore Branch**

On 26 April 2023, the Company notified the SET that on 25 April 2023, a wholly owned Singapore subsidiary of the Company, namely Precious Visions Pte. Ltd. (the "Subsidiary") as the Borrower and the Company as the Guarantor have executed a USD 9,000,000 Senior Secured Amortizing Term Loan Agreement ("Agreement") with the IYO Bank Ltd., Singapore Branch, to refinance the Supramax Dry Bulk Vessel, i.e. M.V. Chayanee Naree.

- **Appointment of members of Sub-Committees**

With reference to the appointment of Ms. Qiyu (Jackie) Wang as a new Independent Director on the Board of Directors, at the Meeting of the Board of Directors of the Company No. 3/2023 held on Monday, 15 May 2023, the Board has resolved to reorganize certain sub-committees for better efficiency, as follows:

- The combination of the Nomination Committee and the Remuneration Committee into one committee, namely the Nomination and Remuneration Committee, which comprises the following members:
 - (i) Ms. Pensri Suteerasarn, Independent Director, Chairperson of the Committee.
 - (ii) Ms. Qiyu (Jackie) Wang, Independent Director, Committee Member.
 - (iii) Mr. Kirit Shah, Director, Committee Member.
- The revised structure of the Sustainability and Risk Management Committee is as follows:
 - (i) Prof. Dr. Pavida Pananond, Independent Director, Chairperson of the Committee.
 - (ii) Mr. Kamtorn Sila-On, Independent Director, Committee Member.
 - (iii) Ms. Pensri Suteerasarn, Independent Director, Committee Member.
 - (iv) Ms. Qiyu (Jackie) Wang, Independent Director, Committee Member.
 - (v) Mr. Khalid Moinuddin Hashim, Managing Director, Committee Member.

- **Interim Dividend No. 1/2023**

On 15 May 2023, the Board passed a resolution approving an Interim Dividend No. 1 for the year 2023 based on the retained earnings as of 31 March 2023 of Baht 0.05 per share. The Record Date for the right to receive the dividend was 30 May 2023. The payment was made on 14 June 2023.

- **A long-term charter of M.V. Pavida Naree**

On 31 May 2023, the Company notified the SET that a Handysize vessel in its fleet, M.V. Pavida Naree, was fixed on a 10-12 month charter to Navision Shipping A/S, Denmark commencing 30 May 2023 at a gross variable rate equivalent to 101.5% of the Baltic Exchange Handysize Index (BHSI) weighted time charter average value over the previous 15 days.

- **Amendments to the Secured Loan Agreement with Bangkok Bank Public Company Limited, Singapore Branch**

On 20 June 2023, the Company notified the SET that on 15 June 2023, certain wholly-owned Singapore subsidiaries of the Company, namely Precious Grace Pte. Ltd., Precious Skies Pte. Ltd., and Precious Tides Pte. Ltd. (collectively the “Subsidiaries”) as the Borrowers and the Company as the Guarantor have executed a first amendment and restatement agreement (“Amendment Agreement”) in relation to the USD 17.10 million Senior Secured Amortizing Term Loan Agreement with Bangkok Bank Public Company Limited, Singapore Branch. The aforesaid Amendment Agreement is mainly to upsize the original Loan by an additional loan amount of up to USD 31.80 million. As such, the aggregate loan amount has been increased to USD 48.90 million.

- **New Subsidiaries of the Company**

On 8 August 2023, the Company notified the SET about the incorporation of the following 9 (nine) wholly owned subsidiaries of our Singaporean subsidiary, Precious Shipping (Singapore) Pte. Ltd.:

1. Precious Breeze Pte. Ltd.
2. Precious Topaz Pte. Ltd.
3. Precious Waves Pte. Ltd.
4. Precious Jade Pte. Ltd.
5. Precious Tulips Pte. Ltd.
6. Precious Violets Pte. Ltd.
7. Precious Daisies Pte. Ltd.
8. Precious Marigold Pte. Ltd.
9. Unity Ventures Pte. Ltd.

- **Interim Dividend No. 2/2023**

On 11 August 2023, the Board passed a resolution approving an Interim Dividend No. 2 for the year 2023 based on the retained earnings as of 30 June 2023 of Baht 0.05 per share. The Record Date for the right to receive the dividend was 25 August 2023. The payment was made on 8 September 2023.

- **A long-term charter of M.V. Phatra Naree**

On 15 August 2023, the Company notified the SET that a Handysize vessel in its fleet, M.V. Phatra Naree, was fixed on a 11-13 month charter to Navision Shipping A/S, Denmark commencing 12 August 2023 at a gross variable rate equivalent to 101.5% of the Baltic Exchange Handysize Index (BHSI) weighted time charter average value over the previous 15 days.

- **New credit facility of USD 26.25 million from Export-Import Bank of Thailand**

On 15 August 2023, the Company notified the SET that on 11 August 2023, the Company and certain subsidiaries of the Company executed a USD 26.25 million term loan facility agreement with Export-Import Bank of Thailand. The purposes of the Loan Facility are to reimburse the acquisition expenses of M.V. Phatra Naree and to support the Borrowers’ operations.

- **The extensions of seven long-term charters**

On 25 September 2023, the Company notified the SET of the following recent extensions of long-term charters:

- A Supramax vessel, M.V. Baranee Naree, extended her charter to Intergis Co., Ltd., South Korea, for further 12-15 months. The charter extension commenced on 15 November 2023 at a gross variable rate equivalent to 100% of the Baltic Exchange Supramax Index (BSI) weighted time charter average value over the previous 15 days.

- An Ultramax vessel, M.V. Issara Naree, extended her charter to Intergis Co., Ltd., South Korea, for further 12-15 months. The charter extension commenced on 17 November 2023 at a gross variable rate equivalent to 118% of the Baltic Exchange Supramax Index (BSI) weighted time charter average value over the previous 15 days.
- An Ultramax vessel, M.V. Sunisa Naree, extended her charter to Intergis Co., Ltd., South Korea, for further for another 12-15 months. The charter extension commenced on 23 November 2023 at a gross variable rate equivalent to 118% of the Baltic Exchange Supramax Index (BSI) weighted time charter average value over the previous 15 days.
- A Supramax vessel, M.V. Chayanee Naree, extended her charter to Intergis Co., Ltd., South Korea, for further 12-15 months. The charter extension commenced on 7 December 2023 at a gross variable rate equivalent to 100% of the Baltic Exchange Supramax Index (BSI) weighted time charter average value over the previous 15 days.
- An Ultramax vessel, M.V. Sarocha Naree, extended her charter to Intergis Co., Ltd., South Korea, for further 12-15 months. The charter extension commences on 24 January 2024 at a gross variable rate equivalent to 118% of the Baltic Exchange Supramax Index (BSI) weighted time charter average value over the previous 15 days.
- A Handysize vessel, M.V. Lanna Naree, extended her charter to Dampskibsselskabet Norden A/S, Denmark, for further 10-14 months. The charter extension commenced on 18 December 2023 at a gross variable rate equivalent to 94.50% of the Baltic Exchange Handysize Index (BHSI) weighted time charter average value over the previous 15 days.
- A Handysize vessel, M.V. Latika Naree, extended her charter to Dampskibsselskabet Norden A/S, Denmark, for further 10-14 months. The charter extension commenced on 5 January 2024 at a gross variable rate equivalent to 94.50% of the Baltic Exchange Handysize Index (BHSI) weighted time charter average value over the previous 15 days.

- **New Loan of USD 105 million from International Finance Corporation, Export-Import Bank of Thailand and Crédit Agricole Corporate And Investment Bank**

On 25 October 2023, certain wholly-owned Singapore subsidiaries of the Company, namely Precious Waves Pte. Ltd., Precious Breeze Pte. Ltd., Precious Topaz Pte. Ltd., Precious Jade Pte. Ltd., Precious Violets Pte. Ltd., and Precious Tulips Pte. Ltd. (collectively the “Subsidiaries”) as the Borrowers have executed the relevant agreements in relation to a USD 105,000,000 Senior Secured Amortizing Term Loan Facility (“Loan Facility”) with International Finance Corporation, Export-Import Bank of Thailand and Crédit Agricole Corporate and Investment Bank, mainly to finance the acquisition of up to six (6) dry bulk carriers.

- **New Loan Agreement of USD 37.50 million with Crédit Agricole Corporate and Investment Bank**

On 6 November 2023, certain wholly-owned Singapore subsidiaries of the Company, namely Precious Glories Pte. Ltd., Precious Wisdom Pte. Ltd., Precious Bridges Pte. Ltd., and Precious Sparks Pte. Ltd. (collectively the “Subsidiaries”) as the Borrowers executed a USD 37,500,000 Senior Secured Amortizing Term Loan Agreement (“Loan Agreement”) with Crédit Agricole Corporate and Investment Bank mainly to refinance the Existing Loan Agreement.

- **New Subsidiary of the Company**

On 14 December 2023, the Company notified the SET of the recent incorporation of Bongkot Holdings Limited, a wholly owned Thai subsidiary of the Company.

- **Interim Dividend No. 3/2023**

On 10 November 2023, the Board passed a resolution approving an Interim Dividend No. 3 for the year 2023 based on the retained earnings as of 30 September 2023 of Baht 0.05 per share. The Record

Date for the right to receive the dividend was 24 November 2023. The payment was made on 8 December 2023.

- **New Loan Agreement of USD 18 million with SinoPac Capital International (HK) Limited, Hong Kong**

On 27 December 2023, the Company notified the Stock Exchange of Thailand that on 26 December 2023, certain wholly-owned Singapore subsidiaries of the Company, namely Precious Daisies Pte. Ltd. and Precious Marigold Pte. Ltd. (collectively the “Subsidiaries”) as the Borrowers have executed the relevant agreements in relation to a USD 18,000,000 Senior Secured Amortizing Term Loan Facility (“Loan Facility”) with SinoPac Capital International (HK) Limited, mainly to refinance two Handysize dry bulk carriers, i.e., M.V. Chamchuri Naree and M.V. Charana Naree.

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- **A long-term charter of M.V. Sarika Naree**

On 22 January 2024, the Company notified the SET that a Ultramax vessel in its fleet, M.V. Sarika Naree, was fixed on a 12-14 month charter to Global Chartering Limited commencing 19 January 2024 at a gross variable rate equivalent to 117% of the Baltic Exchange Supramax Index (BSI) weighted time charter average value over the previous 15 days.

- **Interim Dividend No. 4/2023**

On 12 February 2024, the Board passed a resolution approving an Interim Dividend No. 4 for the year 2023 based on the retained earnings as of 31 December 2023 of Baht 0.05 per share. The Record Date for the right to receive the dividend was 27 February 2024. The payment was made on 11 March 2024.

- **Disposal of one Handysize Bulk Carrier (M.V. “Rattana Naree”)**

On 16 February 2024, the Company notified the SET that the disposal of one Handysize Bulk Carrier, viz. M.V. Rattana Naree by Precious Stones Shipping Limited, a wholly-owned Thai subsidiary of the Company.

- **Acquisition of a secondhand Vessel**

On 7 March 2024, the Company notified the SET that the acquisition of one secondhand vessel, viz. M.V. INTERLINK AMENITY (currently known as M.V. Hansa Naree) by Precious Waves Pte. Ltd., a wholly-owned Singapore subsidiary of the Company

- **New Subsidiary of the Company**

On 8 March 2024, the Company notified the SET about the incorporation of a new wholly owned subsidiary of our Singaporean subsidiary, Precious Hibiscus Pte. Ltd

- **Reporting on the new Credit Facility of USD 25.50 million from Export-Import Bank of Thailand**

On 8 March 2024, the Company and certain wholly-owned Thai subsidiaries of the Company, namely Precious Rubies Limited and Precious Opals Limited as the Borrowers executed a USD 25,500,000 term loan facility (“Loan Facility”) with Export-Import Bank of Thailand. The purpose of the Loan Facility is to support the Borrowers’ operations.

- **Disposal of one Supramax Bulk Carrier (M.V. “Wikanda Naree”)**

On 28 March 2024, the Company notified the SET that the disposal of one Supramax Bulk Carrier, viz. M.V. Wikanda Naree by Precious Ornaments Limited, a wholly-owned Thai subsidiary of the Company.

- **Final Dividend for the year 2023**

At the Annual General Meeting of Shareholders of the Company No. 1/2024 held on Friday, 5 April 2024, at 10:30 hours by electronic means ("E-AGM"), the Shareholders passed a resolution approving a final dividend for the year 2023 based on the retained earnings as of 31 December 2023 of Baht 0.25 per share. The Record Date for the right to receive the dividend was 22 April 2024. The payment was made on 3 May 2024.

- **Delivery of a secondhand 39,989 DWT Bulk Carrier**

On 11 April 2024, the Company notified the SET that the Company's wholly-owned Singapore subsidiary had taken delivery of M.V. Hansa Naree, which is registered in Singapore.

- **Interim Dividend No. 1/2024**

On 10 May 2024, the Board passed a resolution approving an Interim Dividend No. 1 for the year 2024 based on the retained earnings as of 31 March 2024 of Baht 0.10 per share. The Record Date for the right to receive the dividend was 24 May 2024. The payment was made on 7 June 2024.

- **The signing of 4 shipbuilding contracts for 4 new Ultramax bulk carriers**

On 29 May 2024, the Company notified the SET of its entry into four Shipbuilding Contracts for four 63,500 DWT Bulk Carriers with Taizhou Sanfu Ship Engineering Co., Ltd. as the Seller.

- **Acquisition of a secondhand Vessel**

On 11 June 2024, the Company notified the SET that the acquisition of one secondhand vessel, viz. M.V. WESTERN PANAMA (currently known as M.V. Hatthaya Naree) by Precious Marigold Pte. Ltd., a wholly-owned Singapore subsidiary of the Company.

- **Disposal of one Handysize Bulk Carrier (M.V. "Charana Naree")**

On 18 June 2024, the Company notified the SET that the disposal of one Handysize Bulk Carrier, viz. M.V. Charana Naree by Precious Marigold Pte. Ltd., a wholly-owned Singapore subsidiary of the Company.

- **A long-term charter of M.V. Hansa Naree**

On 17 July 2024, the Company notified the SET that a Handysize vessel in its fleet, M.V. Hansa Naree, was fixed on a 11-13 month charter to Oldendorff Carriers GmbH & Co. Kg., Germany, commencing 16 July 2024 at a gross variable rate equivalent to 112% of the Baltic Exchange Handysize Index (BHSI) weighted time charter average value over the previous 15 days.

- **Acquisition of four secondhand Vessels**

On 23 July 2024, the Company notified the SET about the acquisition of four secondhand Vessels, viz. M.V. WESTERN DURBAN, M.V. WESTERN LIMA, M.V. WESTERN MIAMI, and M.V. WESTERN PARIS by the Company.

- **Delivery of a secondhand 39,260 DWT Bulk Carrier**

On 25 July 2024, the Company notified the SET that its wholly-owned Singapore subsidiary had taken delivery of M.V. Hatthaya Naree (formerly known as M.V. Western Panama), which is registered in Singapore.

- **A long-term charter of M.V. Savita Naree**

On 31 July 2024, the Company notified the SET that a Ultramax vessel in its fleet, M.V. Savita Naree, was fixed on a 19-21 month charter to Global Chartering Limited commencing 27 July 2024 at a gross variable rate equivalent to 117% of the Baltic Exchange Supramax Index (BSI) weighted time charter average value over the previous 15 days.

- **Interim Dividend No. 2/2024**

On 9 August 2024, the Board passed a resolution approving an Interim Dividend No. 2 for the year 2024 based on the retained earnings as of 30 June 2024 of Baht 0.10 per share. The Record Date for the right to receive the dividend was 23 August 2024. The payment was made on 6 September 2024.

- **New Subsidiary of the Company.**

On 20 August 2024, the Company notified the SET about the incorporation of a new wholly owned subsidiary of our Singaporean subsidiary, Precious Roses Pte. Ltd.

- **New Loan of USD 18 million from SinoPac Capital International (HK) Limited, Hong Kong**

On 22 August 2024, a wholly-owned Singapore subsidiary of the Company, Precious Marigold Pte. Ltd. as the Borrower executed the relevant agreements in relation to a USD 18,000,000 Secured Amortizing Term Loan Facility with SinoPac Capital International (HK) Limited, mainly to finance one Handysize dry bulk carrier, i.e., M.V. Hatthaya Naree.

- **Delivery of a secondhand 39,000 DWT Bulk Carrier**

On 9 September 2024, the Company notified the SET that its wholly-owned Singapore subsidiary had taken delivery of M.V. Nitaya Naree (ex-Western Durban), which is registered in Singapore.

- **A long-term charter of M.V. Savitree Naree**

On 16 September 2024, the Company notified the SET that a Ultramax vessel in its fleet, M.V. Savitree Naree, was fixed on a 11-13 month Oceana Bulk SA, Switzerland, commencing 15 September 2024 at a gross variable rate equivalent to 118% of the Baltic Exchange Supramax Index (BSI-58) weighted time charter average value over the previous 15 days.

- **New Credit Facility of USD 13.58 million from Export-Import Bank of Thailand**

On 27 September 2024, the Company and a wholly-owned Thai subsidiary of the Company, namely Precious Stones Shipping Limited as the Borrower executed a USD 13,580,000 term loan facility with Export-Import Bank of Thailand. The purpose of the Loan Facility is to finance one second-hand dry bulk carrier.

- **A USD 13.50 million Loan Agreement with THE IYO BANK, LTD. Singapore Branch**

On 11 October 2024, a wholly-owned Singapore subsidiary of the Company, namely Precious Hibiscus Pte. Ltd., as the Borrower and the Company as the Guarantor executed a USD 13.50 million Senior Secured Amortizing Term Loan Agreement with THE IYO BANK, LTD. Singapore Branch to finance one second-hand 39,260 DWT dry bulk carrier, M.V. Western Lima (currently known as M.V. Nisa Naree).

- **Delivery of a secondhand 38,737 DWT Bulk Carrier**

On 18 October 2024, the Company notified the SET that its wholly-owned Thai subsidiary had taken delivery of M.V. Napha Naree (ex-Western Paris), which is registered in Thailand.

- **The Subscription and Issuance of the Guaranteed Sustainability-Linked Bonds No. 1/2024 Series 1 Bonds and Series 2 Bonds**

On 18 October 2024, the Company notified the SET that the Company has successfully issued “The Guaranteed Sustainability-Linked Bonds of Precious Shipping Public Company Limited No. 1/2567 (2024) Series 1 Due B.E. 2572 (2029)” (the “Series 1 Bonds”) and “The Guaranteed Sustainability-Linked Bonds of Precious Shipping Public Company Limited No. 1/2567 (2024) Series 2 Due B.E. 2577 (2034) With Call Option” (the “Series 2 Bonds”), by way of a Private Placement to Institutional Investors and/or High Net Worth Investors (“PP-II & HNW”). The Company accordingly received the aggregate proceeds of Baht 1,360 million.

- **Delivery of a secondhand 39,260 DWT Bulk Carrier**

On 30 October 2024, the Company notified the SET that its wholly-owned Singapore subsidiary, Precious Hibiscus Pte. Ltd., had taken delivery of M.V. Nisa Naree (ex-Western Lima), which is registered in Singapore.

- **New Subsidiaries of the Company**

On 1 November 2024, the Company notified the SET of the incorporation of two new wholly-owned subsidiaries under its Singaporean subsidiary, Precious Shipping (Singapore) Pte. Ltd.: Precious Lilac Pte. Ltd. and Precious Lotus Pte. Ltd.

- **Interim Dividend No. 3/2024**

On 8 November 2024, the Board passed a resolution approving an Interim Dividend No. 3 for the year 2024 based on the retained earnings as of 30 September 2024 of Baht 0.10 per share. The Record Date for the right to receive the dividend was 22 November 2024. The payment was made on 6 December 2024.

- **Acquisition of Ordinary Shares of V.L. Enterprise Public Company Limited through the Conditional Voluntary Tender Offer**

On 8 November 2024, the Board of Directors' Meeting No. 4/2024 of the Company approved the acquisition of all ordinary shares of V.L. Enterprise Public Company Limited ("VL") through a Conditional Voluntary Tender Offer by the Company's wholly-owned Thai subsidiary, Bongkot Holdings Limited. The offering price was set at Baht 1.24 per share.

- **Reporting on a long-term charter of M.V. Hatthaya Naree**

On 11 December 2024, the Company notified the SET that our Handysize vessel, M.V. Hatthaya Naree, was fixed on a 11-13 month charter to Lauritzen Bulkers A/S, Denmark, commencing 9 December 2024 at a gross variable rate equivalent to 106.5% of the Baltic Exchange Handysize Index (BHSI) weighted time charter average value over the previous 15 days.

- **Reporting on the cancellation of the acquisition of a secondhand Vessel**

On 13 December 2024, the Company notified the SET that the fourth vessel in this acquisition, M.V. WESTERN MIAMI, encountered a delay beyond the agreed cancellation date stipulated in the Memorandum of Agreement signed with the Seller. Consequently, on 9 December 2024, the MOA was cancelled due to the excessive delay in delivery.

- **Submission of the Result of Tender Offer Report of V.L. Enterprise Public Company Limited (Form 256-2)**

On 23 December 2024, the Company notified the SET that the Offeror has submitted the Result of Tender Offer Report of VL to the Office of the Securities and Exchange Commission.

As of 18 December 2024, a total of 57,992,023 shares of VL, representing 4.90% of the company's total issued shares, were successfully tendered during the offer period. When combined with Bongkot's existing shareholding of 150,403,300 shares, equivalent to 12.71% of VL's total issued shares, the aggregate shareholding has increased to 208,395,323 shares, corresponding to a 17.61% ownership stake.

- **Reporting on extensions of four long-term charters**

On 23 December 2024, the Company notified the SET of the following extensions of four long-term charters:

1. Our Supramax vessel, M.V. Baranee Naree, extended her charter to Intergis Co., Ltd., South Korea, for further 12-15 months. The charter extension commences on 31 December 2024 at a gross variable rate equivalent to 99.5% of the Baltic Exchange Supramax Index (BSI-58K) weighted time charter average value over the previous 15 days.
2. Our Ultramax vessel, M.V. Issara Naree, extended her charter to Intergis Co., Ltd., South Korea, for further 12-15 months. The charter extension commences on 2 January 2025 at a gross variable rate equivalent to 102% of the Baltic Exchange Supramax Index (BSI-63K) weighted time charter average value over the previous 15 days.
3. Our Ultramax vessel, M.V. Sunisa Naree, extended her charter to Intergis Co., Ltd., South Korea, for further for another 12-15 months. The charter extension commences on 8 January 2025 at a gross variable rate equivalent to 102% of the Baltic Exchange Supramax Index (BSI-63K) weighted time charter average value over the previous 15 days.
4. Our Supramax vessel, M.V. Chayanee Naree, extended her charter to Intergis Co., Ltd., South Korea, for further 12-15 months. The charter extension commences on 21 January 2025 at a gross variable rate equivalent to 99.5% of the Baltic Exchange Supramax Index (BSI-58K) weighted time charter average value over the previous 15 days.

NATURE OF BUSINESS AND INDUSTRY

1. Revenue Structure

PSL Ships are employed principally under a Time Charter or Voyage Charter Contract:

1.1 Time Charter: Under this type of charter, the Charterer pays Charter Hire to PSL to operate the vessel for an agreed time period. The Charterer bears all voyage costs, including the cost of bunker fuels and port dues. It may be noted in this case that PSL (or the Shipowning Company) is not the Lessor of the ship, but rather a service-provider, since PSL retains full control with physical and legal possession of the ship.

1.2 Voyage Charter: Under this charter, the Charterer pays Freight to PSL to transport a particular cargo between two or more designated ports (usually paid on a dollar per ton basis). In this case, PSL bears all the voyage costs, including the cost of bunker fuels and port dues.

Revenue structure from the operation of PSL for the last 3 years

Revenues	2022		2023		2024	
	Amount (Baht Million)	% of Total Revenue	Amount (Baht Million)	% of Total Revenue	Amount (Baht Million)	% of Total Revenue
Time Charter Income	8,992.49	98.31	5,016.04	96.59	5,905.24	94.23
Voyage Charter Income	132.30	1.45	78.62	1.51	74.86	1.19
Total Vessel Operating Income	9,124.79	99.76	5,094.66	98.10	5,980.10	95.42
Gains on sale of vessels	-	-	-	-	146.88	2.34
Other income	21.85	0.24	98.32	1.90	140.17	2.24
Total Revenues	9,146.64	100.00	5,192.98	100.00	6,267.15	100.00

2. Nature of business

PSL operates its fleet on a tramp-shipping basis, which is to say that the vessels do not have a predetermined schedule for the ports that they call. Principal cargoes handled by PSL are cement, agricultural products, steel, fertilizers, ores and concentrates, coal, and logs. Geographically, PSL estimates its business to be divided evenly across five regions: i) North America ii) Europe, iii) Latin and South America - Africa, iv) Indian sub-continent - Middle East, and v) South East & Far East Asia. PSL operates the majority of its ships in ports that have restricted draft and limited infrastructure (PSL ships have equipment for self-loading & unloading) where larger ships cannot operate. This distinction provides a competitive advantage and allows PSL to enjoy stable charter rates compared to other operators. PSL's geared ships are therefore preferred over larger, gearless ships, despite the latter's economies of scale.

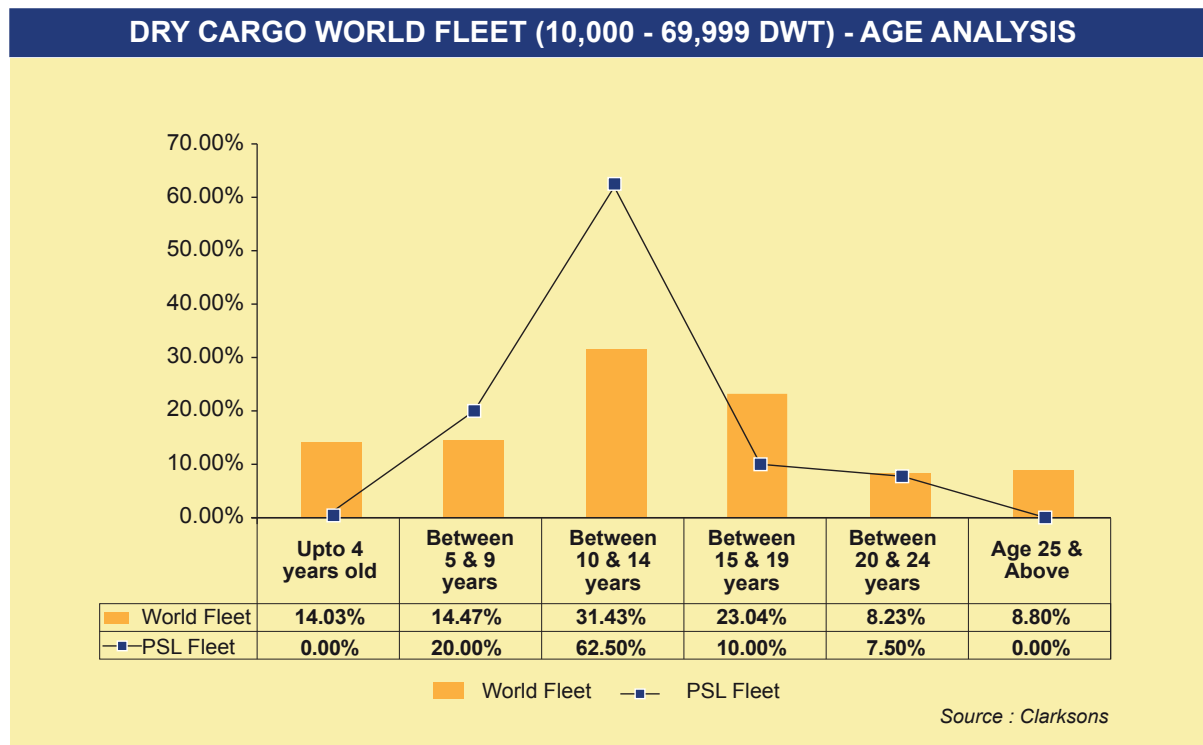
Each ship sails across the globe, depending on the requirements of PSL's charterers. The Fleet is hired on both time charters as well as voyage charters, with a typical duration of 1 - 3 months. Until 2004, the mix between the two types of businesses had historically been equal. Thereafter, time charter contracts constituted roughly 90% of vessel employment. The time charters were either fixed rate trip time charters or fixed rate period charters. In 2022 - 2024, a significant proportion of our fleet was fixed on index linked time charter contracts of about 12 months duration. The variable rates under this type of time charter allow us to fully capture the upside in the market, although it also exposes us to the risk of a fall in market rates.

The diversified nature of its operations (global dry bulk shipping in the geared sectors carrying 'essential' basic commodities) allows PSL to minimize the impact of risks in terms of regions or commodities covered as well as economic cycles.

2.1 Fleet Age

PSL's fleet, with a present average age of about 12 years, is younger than the world's fleet average age of about 13.2 years.

An age-wise analysis as of 1 January 2025 of PSL's fleet vis-a-vis the World Fleet (10,000 - 69,999 DWT) is given in the following graph.



2.2 Business Operations

PSL's revenues are well diversified in terms of its business mix, as can be seen from the following tables:

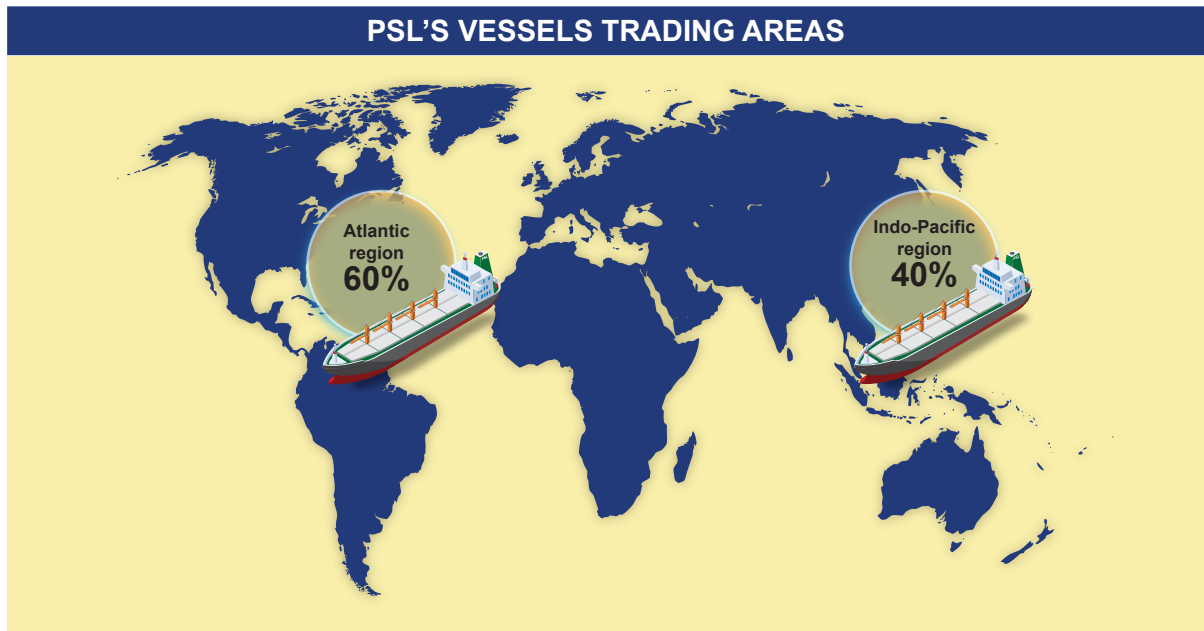
i Commodities/Cargoes Carried

Commodity	(Number of Voyages and % of Total Voyages)					
	2022		2023		2024	
Cement	115	31.68%	144	35.12%	123	31.22%
Agricultural Commodities	60	16.53%	46	11.22%	52	13.20%
Steel	45	12.39%	46	11.22%	51	12.94%
Fertilisers	20	5.50%	26	6.34%	24	6.09%
Specialised Ores	60	16.53%	67	16.34%	49	12.44%
Coal	22	6.06%	23	5.61%	32	8.12%
Forest Products/Logs	11	3.03%	13	3.17%	14	3.55%
Petcoke	10	2.75%	14	3.41%	12	3.05%
Alumina	7	1.93%	9	2.20%	18	4.57%
Others	13	3.60%	22	5.37%	19	4.82%
Total	363	100.00%	410	100.00%	394	100.00%

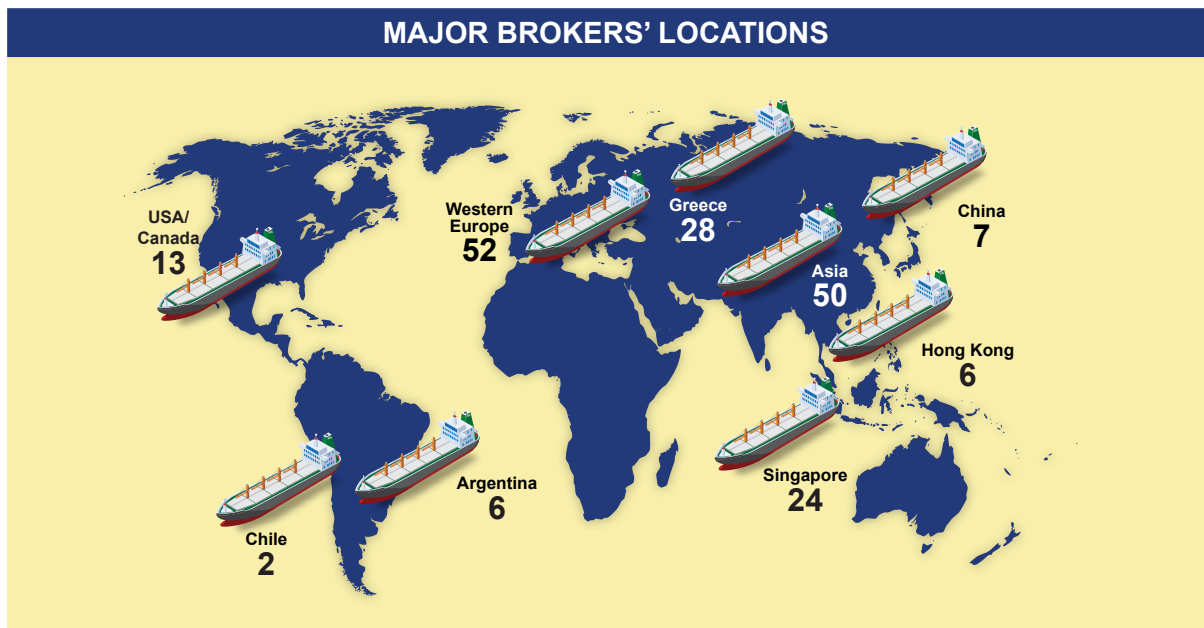
ii Voyage Charters v/s Time Charters

Charter	(Number of Voyages and % of Total Voyages)					
	2022		2023		2024	
Voyage Charters	3	0.83%	2	0.49%	2	0.51%
Time Charters	360	99.17%	408	99.51%	392	99.49%

iii Vessel Trading Areas for the year 2024



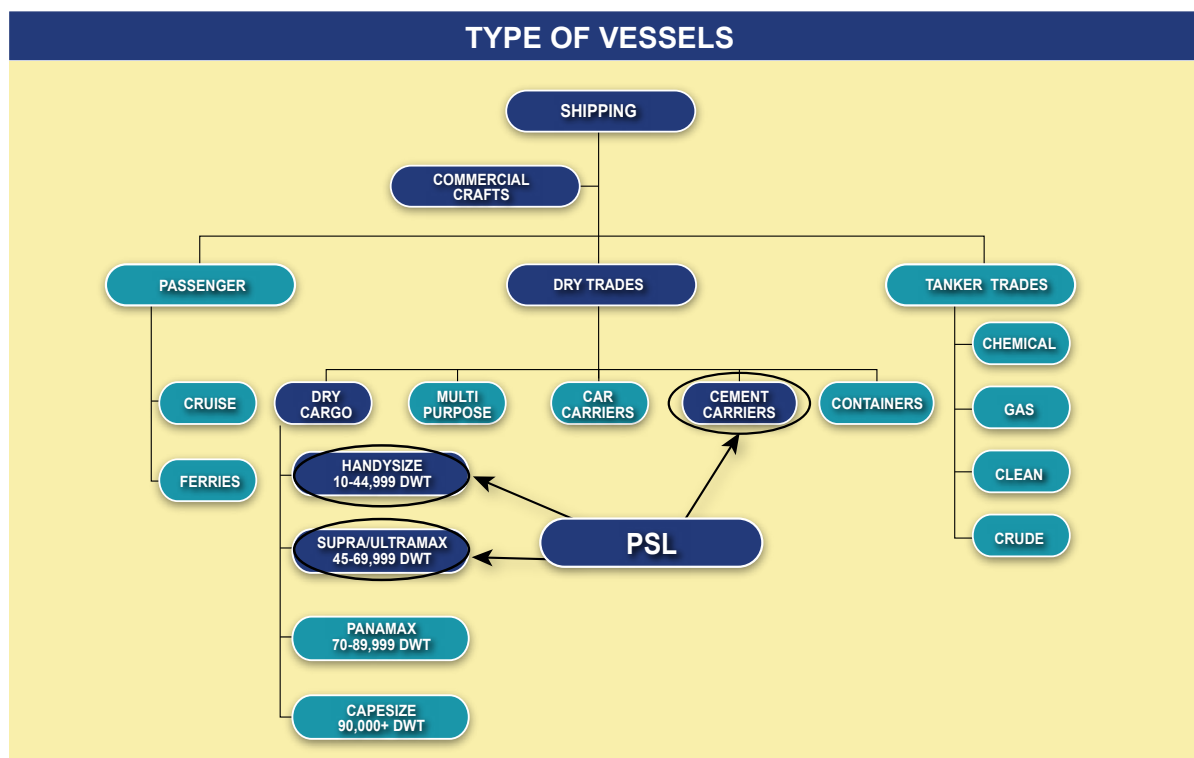
iv Marketing network and major broker locations



From the above graphs, it can be observed that PSL enjoys a wide coverage with its top class world-wide marketing network. The extensive use of the internet has allowed this coverage to be obtained in an extremely cost effective manner.

3. INDUSTRY STRUCTURE

Broadly, the Shipping Industry is classified as under:



3.1 Dry Bulk Market

Dry Bulk Commodities are divided into 2 categories, viz. Major Bulk and Minor Bulk. Major Bulk commodities are iron ore, coal, and certain grains. Minor Bulk commodities are agricultural commodities, cement, steel, fertilisers, specialized ores, forest products, etc.

PSL's fleet is in the geared ships sector. Demand for this sector is fragmented because of the broad cargo base and multitude of ports serviced by this market segment. As a result, earnings are also less volatile compared to earnings of gearless vessels.

The vessel supply picture is also very fragmented. As of 31 December 2024, there were 9,021 ships with DWT of between 10,000 and 69,999. The largest shipowner in this sub-group has a fleet of only about 101 ships or about 1.47% market share of capacity in DWT terms. The majority of the owners are private companies with a small number of vessels. PSL has 40 ships or about 0.47% market share of capacity in DWT terms.

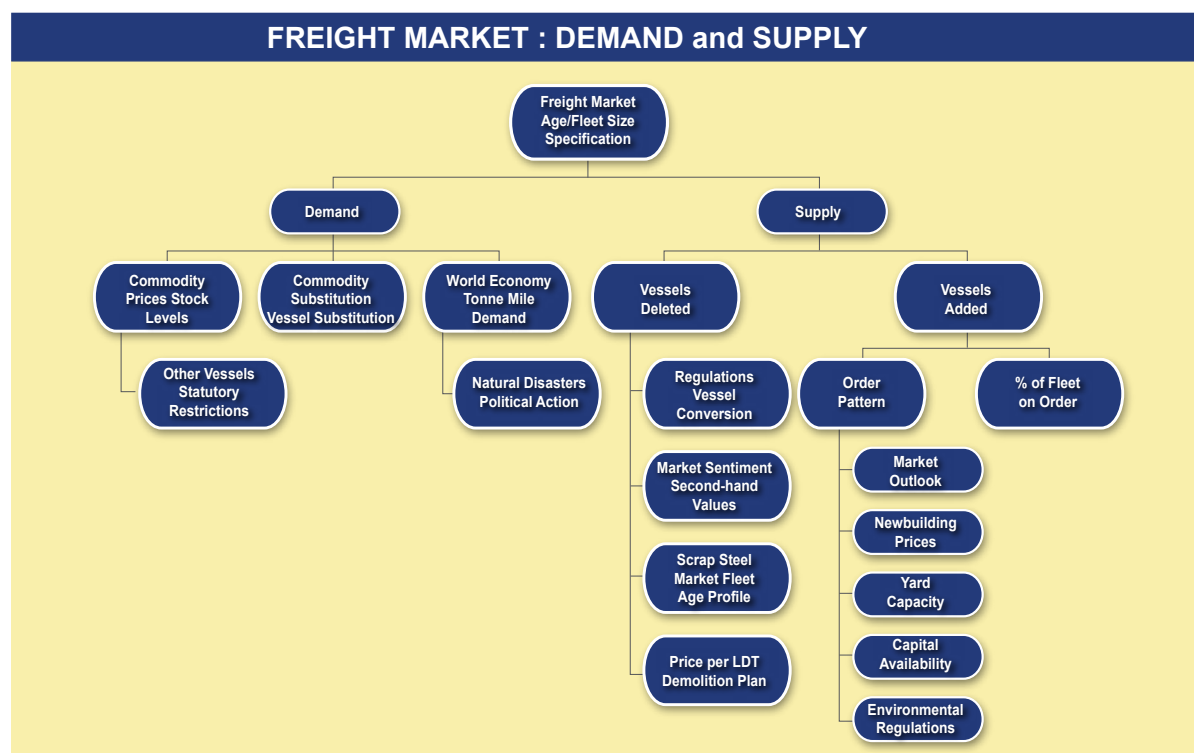
Historically, the Shipping Industry has been a very cyclical industry with two to three years of declining charter rates needed to stabilise supply and demand before freight rates begin to increase. For instance, it took three years for demand to recover following the "down cycle" triggered by the "Asian Financial Crisis" in 1997. With the gradual increase in economic growth in all regions of the world, dry bulk commodity demand improved in 2000 and the improvement continued till the first half of 2001. Also helping the bullish freight rates were increased scrap prices, which incentivized the demolition of older vessels. From 2001, the market witnessed a downturn due to various factors which were of a rather limited duration. The market then witnessed an unprecedented upward trend starting in the third/fourth quarter of 2003, and remained firm throughout 2004 till the first half of 2005, after which the market again experienced a small downturn which experts attributed to an upsurge in supply of vessels, coupled with a decline in scrapping of older vessels. However, contrary to expectations and conventional wisdom, the market turned north from the end of the second quarter of 2006. During 2007, the market continued

heading north and reached a peak indicated by the Baltic Dry Index (BDI - as described in 3.3 hereunder) touching 11,039 points on 13 November 2007, before starting to drift lower till the end of January 2008. The market then again headed north till it reached its highest level ever, with the BDI reaching 11,793 points on 20 May 2008, after which, with the onset of the Global Financial Crisis (GFC) and the threat of sustained global recessionary conditions, it fell consistently, reaching 663 points on 5 December 2008, and was at 774 points at the end of the year 2008. As the net annual increase in the supply of vessels was very high during 2009 - 2012, the dry bulk market had to face a protracted period of low BDI from 2011 to 2016. The BDI hit the lowest level in its history at 290 points on 10 February 2016 and the average BDI for the year 2016 was at 673 points which was the lowest average BDI in dry bulk history.

Since 2016, the BDI has been on a gradual uptrend as supply pressures eased due to a decline in the new vessel orderbook. In the first half of 2019, an accident at a Vale mine in Brazil, adverse weather conditions in Australia and African swine fever in China had a debilitating impact on freight rates. Fortunately, the recovery in the second half was very strong, with the BDI touching a ten-year high in September 2019. This was followed by the mother of all black swan events, the Covid-19 Pandemic, which annihilated ship earnings between February and May of 2020. From June 2020 onwards, however, there was a gradual resumption in demand as economies around the world reopened. In addition, China's USD 667 Billion steel-intensive stimulus package accentuated the demand for commodities. Recovering demand and tightening vessel supply have kept freight rates buoyant in late 2020 and through the year 2021. In 2021, the dry-bulk freight markets continued their uptrend driven by further economic expansion in major economies as well as a benign orderbook. The BDI hit 5,650 points, a 13 year high, on 7 October 2021, following which it declined to close the year at 2,217 points. In 2022, the dry-bulk freight markets continued their uptrend however rates softened in the latter half of the year due to the increase in US interest rate, the worsening property sector in China, and lower cargo flows out of Ukraine due to the Russia-Ukraine war. The BDI closed the year at 1,515 points. In 2023, we experienced no less than 3 cycles. First was in January and February when China experienced a surge of covid infections resulting in a sharp drop in trade. This was followed by a sharp increase in rates from March to June as South American grain exports gained momentum. In mid-July, the UN sponsored Black Sea Grain Corridor which was in place to facilitate Ukrainian exports came to an end, and more than 200 ships flooded the market overnight causing rates to plunge. July is also when there is usually a pick up in grain exports out of the Black Sea region and so the timing of this termination was particularly bad. October is traditionally when exports of dry commodities pick up in the Americas and so there was somewhat of a surge in rates although not as much as expected. This was because of low water levels in the Mississippi. In Brazil on the other hand, excessive rains led to a slowdown in exports and a huge increase in ships waiting for cargoes. All of this is of course good, as it takes away capacity. And then finally, it rained in the North American region, following which there was a surge of export cargoes coming out of the Mississippi and this together with Panama canal draft restrictions, caused a rate spike. All of these huge variations in rates took place in just a span of 12 months and is evidence of how finely balanced demand and supply is! We began the year in despair but ended it on a high. The BDI closed the year at 2,094 points. In 2024, due to the demand and supply balance, the BDI was improved from 2023. However, the BDI began to decline after mid-November due to seasonal factors. The BDI closed the year at 997 points.

3.2 Demand – Supply

While the composition and the age of a company's fleet does have an effect on its earnings and expenses, the following table illustrates the various external factors governing demand and supply that drive the Shipping Industry and create the business cycle.



3.3 Shipping Market Index

The Baltic Dry Index (“BDI”) is the leading indicator of spot dry bulk cargo freight rates, calculated by the London-based Baltic Exchange. A description of the BDI and its computation method is provided hereunder.

The Baltic Dry Index

The BDI is the successor to the Baltic Freight Index (BFI) and came into operation on 1 November 1999. From 1 July 2009 to 28 February 2018, the BDI was a composite average of Capesize, Panamax, Supramax and Handysize vessel time charter rates (TC).

In January 2018, the Baltic Exchange announced that it will be implementing changes to the Baltic Dry Index (BDI). From 1 March 2018, the BDI was re-weighted to the following ratios of time charter assessments: 40% Capesize, 30% Panamax and 30% Supramax. Handysize vessels were no longer included in computing the BDI. A multiplier of 0.1 was applied to the assessed daily time charter rate.

The BDI is computed by applying the following formula.

$$((\text{Average Capesize TC} \times 40\%) + (\text{Average Panamax TC} \times 30\%) + (\text{Average Supramax TC} \times 30\%)) \times 0.1.$$

Baltic Supramax Index (BSI58)

BSI for Tess 58 design has been published commencing on 3 April 2017, and the transition from BSI Tess 52 design to BSI Tess 58 design was completed as of 31 December 2018, when the Baltic Exchange stopped publishing BSI for Tess 52.

Since 1 January 2019, the Baltic Supramax Index is based on the following type of vessel as described below:

Standard “Tess 58” type vessel with grabs as follows:

- 58,328 DWT self trimming single deck bulk carrier on 12.80 m draught, non - scrubber fitted.
- 189.99 m length, 32.26 m breadth, 5 hatches, 72,360 cubic metres space for loading cargo.
- Speed of 14 knots loaded with cargo on a consumption of 33mt of fuel oil per day at sea, speed of 14 knots without any cargo on a consumption of 32mt of fuel oil per day at sea.
- Speed of 12 knots loaded with cargo on a consumption of 24mt of fuel oil per day at sea, speed of 12.5 knots without any cargo on a consumption of 23mt of fuel oil per day at sea.
- 4 Cranes, each of 30mt lifting capacity with 12 cubic metre grabs for loading and or discharging cargoes.
- Maximum age of Vessel - 15 years.

Route definitions

- Route 1B:** Delivery of the ship within Canakkale range for one trip time charter via Mediterranean or Black Sea. Duration of the time charter about 40/50 days. Redelivery of the ship within China/South Korea range. Weighting applied: 5 percent.
- Route 1C:** Delivery of the ship within US Gulf range for one trip time charter. Duration of the time charter about 50/55 days. Redelivery of the ship within China/South Japan range. Weighting applied: 5 percent.
- Route 2:** Delivery of the ship within North China range for one trip time charter. Duration of the time charter about 35/40 days. Redelivery of the ship within one Australian or Pacific round voyage range. Weighting applied: 20 percent.
- Route 3:** Delivery of the ship within North China range for one trip time charter. Duration of the time charter about 55/65 days. Redelivery of the ship within West Africa range. Weighting applied: 15 percent.
- Route 4A:** Delivery of the ship within US Gulf range for one trip time charter. Duration of the time charter about 25/30 days. Redelivery of the ship within Skaw/Passero range. Weighting applied: 7.5 percent.
- Route 4B:** Delivery of the ship within Skaw/Passero range for one trip time charter. Duration of the time charter about 25/30 days. Redelivery of the ship within US Gulf range. Weighting applied: 10 percent.
- Route 5:** Delivery of the ship within West Africa range for one single time charter via East Coast South America. Duration of the time charter about 60/65 days. Redelivery of the ship within North China. Weightage applied: 5 percent.
- Route 8:** Delivery of the ship within South China range for one trip time charter via Indonesia. Duration of the time charter about 20/25 days. Redelivery of the ship within East Coast India range. Weighting applied: 15 percent.
- Route 9:** Delivery of the ship within West Africa range for one trip time charter via East Coast South America. Duration of the time charter about 45/50 days. Redelivery of the ship within Skaw/Passero range. Weighting applied: 7.5 percent.
- Route 10:** Delivery of the ship within South China range for one trip time charter via Indonesia. Duration of the time charter about 20/25 days. Redelivery of the ship within South China range. Weighting applied: 10 percent.

In all the above, it is assumed that 5% total commission on the Gross Time Charter Hire would be payable and business is done within 5/10 days in advance of the ship being free of her last cargo.

The Baltic Exchange ceased publishing the 58,000 dwt Baltic Supramax Index (BSI58) after August 30, 2024. Following this date, the S10TC index, previously based on BSI58 assessments, is now derived from the S11TC index, which is based on BSI63 assessments as details below.

Baltic Supramax Index (BSI63)

BSI for Tess 63 design has been published commencing on 2 September 2024, and the transition from BSI Tess 58 design to BSI Tess 63 design was completed as of 1 September 2024, when the Baltic Exchange stopped publishing BSI for Tess 58.

BSI Tess 63 vessel for time charter routes is a non-scrubber fitted vessel based on the following type of vessel as described below:

Standard “Tess 63” type vessel with grabs as follows:

- 63,500 DWT self trimming single deck bulk carrier on 13.418 m SSW – TPC 61.4.
- 199.98 m length, 32.24 m breadth, 5 hold and 5 hatches, 76,200 cubic metres space for loading cargo.
- Speed of 14 knots loaded with cargo on a consumption of 29mt of fuel oil per day at sea, speed of 14 knots without any cargo on a consumption of 25mt of fuel oil per day at sea.
- Speed of 13 knots loaded with cargo on a consumption of 24mt of fuel oil per day at sea, speed of 13 knots without any cargo on a consumption of 21mt of fuel oil per day at sea.
- Speed of 12 knots loaded with cargo on a consumption of 20mt of fuel oil per day at sea, speed of 12 knots without any cargo on a consumption of 17mt of fuel oil per day at sea.
- Speed of 11 knots loaded with cargo on a consumption of 16.5mt of fuel oil per day at sea, speed of 11 knots without any cargo on a consumption of 14mt of fuel oil per day at sea.
- 4 Cranes, each of 30mt lifting capacity with 12 cubic metre grabs for loading and or discharging cargoes.
- Maximum age of Vessel - 15 years, built - Japan.

Route definitions

- Route 1B:** Delivery of the ship within Canakkale range for one trip time charter via Mediterranean or Black Sea. Duration of the time charter about 40/50 days. Redelivery of the ship within China/South Korea range. Weighting applied: 5 percent.
- Route 1C:** Delivery of the ship within US Gulf range for one trip time charter. Duration of the time charter about 50/55 days. Redelivery of the ship within China/South Japan range. Weighting applied: 5 percent.
- Route 2:** Delivery of the ship within North China range for one trip time charter. Duration of the time charter about 35/40 days. Redelivery of the ship within one Australian or Pacific round voyage range. Weighting applied: 15 percent.
- Route 3:** Delivery of the ship within North China range for one trip time charter. Duration of the time charter about 55/65 days. Redelivery of the ship within West Africa range. Weighting applied: 15 percent.
- Route 4A:** Delivery of the ship within US Gulf range for one trip time charter. Duration of the time charter about 25/30 days. Redelivery of the ship within Skaw/Passero range. Weighting applied: 7.5 percent.

- Route 4B:** Delivery of the ship within Skaw/Passero range for one trip time charter. Duration of the time charter about 25/30 days. Redelivery of the ship within US Gulf range. Weighting applied: 10 percent.
- Route 5:** Delivery of the ship within West Africa range for one single time charter via East Coast South America. Duration of the time charter about 60/65 days. Redelivery of the ship within North China. Weightage applied: 5 percent.
- Route 8:** Delivery of the ship within South China range for one trip time charter via Indonesia. Duration of the time charter about 20/25 days. Redelivery of the ship within East Coast India range. Weighting applied: 10 percent.
- Route 9:** Delivery of the ship within West Africa range for one trip time charter via East Coast South America. Duration of the time charter about 45/50 days. Redelivery of the ship within Skaw/Passero range. Weighting applied: 7.5 percent.
- Route 10:** Delivery of the ship within South China range for one trip time charter via Indonesia. Duration of the time charter about 20/25 days. Redelivery of the ship within South China range. Weighting applied: 10 percent.
- Route 15:** Delivery of the ship within Indian Ocean for one trip time charter via South Africa. Duration of the time charter about 40/50 days. Redelivery of the ship within Far East range. Weighting applied: 10 percent.

In all the above, it is assumed that 5% total commission on the Gross Time Charter Hire would be payable and business is done within 5/10 days in advance of the ship being free of her last cargo.

Baltic Handysize Index (BHSI)

BHSI for Tess 28 design has been published commencing in 2007, and the transition from BHSI Tess 28 design to BHSI Tess 38 design was completed as of 31 December 2019.

Since 2 January 2020, the Baltic Handysize Index is based on the following type of vessel as described below:

- 38,200 DWT self trimming single deck geared bulk carrier on 10.538 m draught, non - scrubber fitted.
- 180 m length, 29.8 m breadth. 5 holds and 5 hatches. 47,125 cubic metres space for loading cargo.
- Speed of 14 knots loaded with cargo on a consumption of 26mt of fuel oil per day at sea, speed of 14 knots without any cargo on a consumption of 24mt of fuel oil per day at sea.
- Speed of 12 knots loaded with cargo on a consumption of 18mt of fuel oil per day at sea, speed of 12 knots without any cargo on a consumption of 17mt of fuel oil per day at sea.
- 4 Cranes each of 30mt capacity for loading and or discharging cargoes.
- Maximum age of Vessel - 15 years.

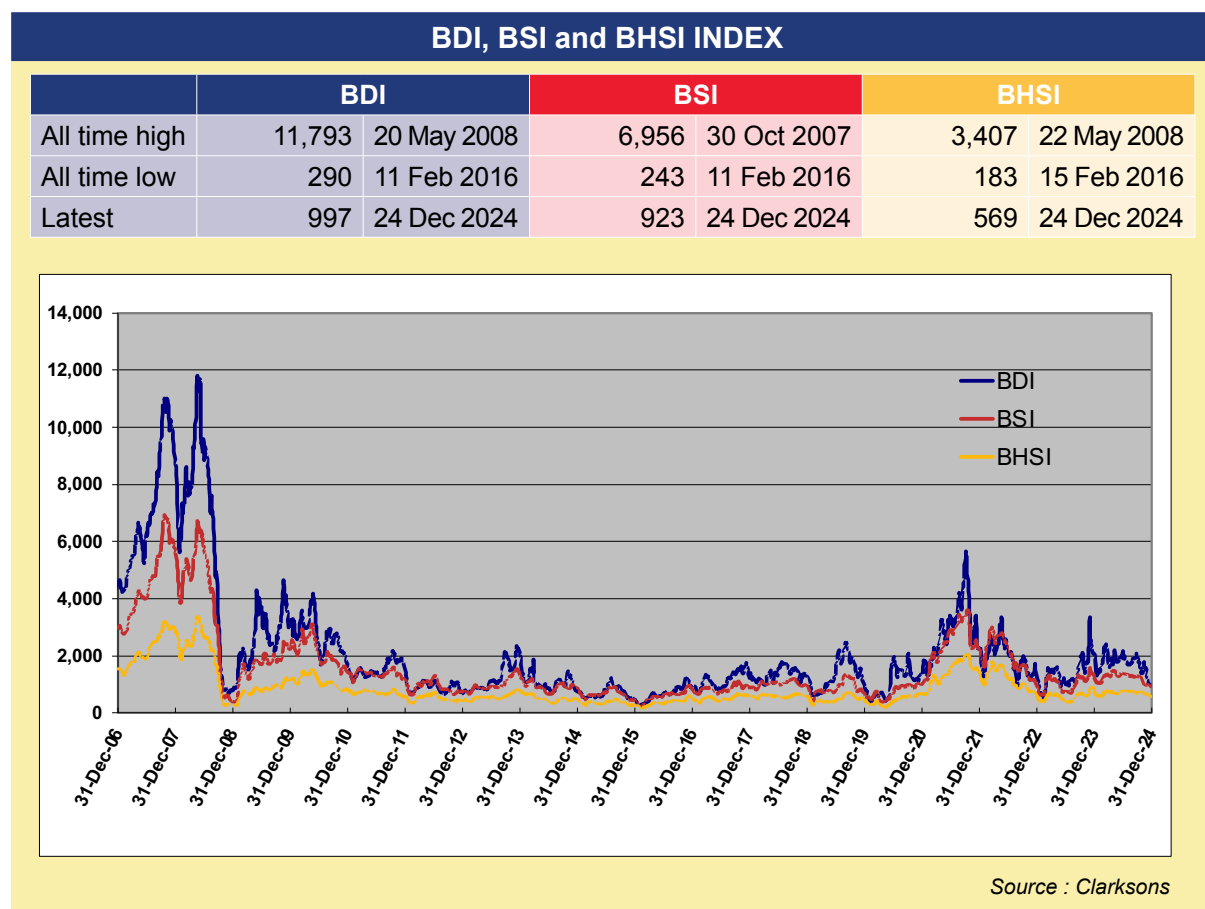
Route definitions

- Route 1:** Delivery of the ship within Skaw/Passero range for one trip time charter. Duration of the time charter about 35/45 days. Redelivery of the ship within Recalada/Rio de Janeiro range. Weighting applied: 12.5 percent.
- Route 2:** Delivery of the ship within Skaw/Passero range for one trip time charter. Duration of the time charter about 35/45 days. Redelivery of the ship within Boston/Galveston range. Weighting applied: 12.5 percent.

- Route 3:** Delivery of the ship within Recalada/Rio de Janeiro range for one trip time charter. Duration of the time charter about 35/45 days. Redelivery of the ship within Skaw/Passero range. Weighting applied: 12.5 percent.
- Route 4:** Delivery of the ship within US Gulf for one trip time charter. Duration of the time charter about 35/45 days via US Gulf or North Coast South America. Redelivery of the ship within Skaw/Passero range. Weighting applied: 12.5 percent.
- Route 5:** Delivery of the ship within South East Asia for one trip time charter . Duration of the time charter about 30/45 days. Redelivery of the ship within Singapore/Japan range including China. Weighting applied: 20 percent.
- Route 6:** Delivery of the ship within North China/South Korea/Japan range for one trip time charter Duration of the time charter about 40/45 days. Redelivery of the ship within North China/ South Korea/Japan range. Weighting applied: 20 percent.
- Route 7:** Delivery of the ship within North China/South Korea/Japan range for one trip time charter Duration of the time charter about 25/30 days. Redelivery of the ship within South East Asia range. Weighting applied: 10 percent.

In all the above, it is assumed that 5% total commission on the Gross Time Charter Hire would be payable and business is done within 5/10 days in advance of the ship being free of her last cargo.

The following graph shows the movement of the BDI, BSI and BHSI from 2006 until the end of 2024.



3.4 Maritime Laws and Regulations

Maritime laws and regulations are very complex and rigid. Due to PSL's strict observance of all maritime laws and regulations, coupled with excellent maintenance of its vessels, increasingly stringent regulatory environments play to PSL's strengths. For example, PSL's vessels frequently sail into countries, where authorities monitor compliance diligently, like Australia, the U.S., Canada and the European Union, without the fear of detentions and associated delays.

The following major laws and regulations govern the International Shipping Industry:

1. Flag State

The country where the ship has been registered is called a Flag State. This registration grants the ship physical and legal protection afforded under that flag/flag state usually applied to vital areas such as the safety of cargo and life of those on board the ship. Flag states have the legal authority and responsibility to enforce regulations upon vessels that are registered under their flag, including regulations relating to inspection, certification, safety, and pollution. A shipowner or operator who registers their ship under a flag must meet the standards set by the Flag State and ensure that national and international regulations are being met.

The Flag State issues a Certificate of Registry, a statutory certificate required by local law and the United Nations Convention on the Law of the Sea. The Certificate of Registry which establishes the nationality and ownership of a ship shall be used only for the lawful navigation of the ship.

As of 31 December 2024, PSL has 19 ships registered under the Thai flag, and 21 ships registered under the Singapore flag.

2. International Maritime Organization

The International Maritime Organization (IMO) is a United Nations body, which regulates the International Shipping Industry for the safety of life, property and the environment.

IMO has adopted numerous conventions, of which the most important are: Safety of Life at Sea (SOLAS), Maritime Regulations for Prevention of Pollution (MARPOL), Standards for Training Certification and Watch-keeping (STCW) & Maritime Labour Convention (MLC); these are the four pillars of the International Maritime Industries regulatory framework.

IMO Conventions are constantly being reviewed and updated to keep them in line with changing trends. Flag States are members of the IMO and are committed to abide by these conventions and regulations. Under MARPOL requirements, major changes with regard to reducing air pollution came into force from 1 January 2013. New ships built after this date are required to have an Energy Efficiency Design Index (EEDI) determined at the construction stage. The IMO has set a limiting value for EEDI which cannot be exceeded; IMO has also issued detailed guidelines for improving the EEDI in subsequent years. All ships are also required to have a Ship Energy Efficiency Management Plan (SEEMP) from 1 January 2013. As a further improvement to the SEEMP, mandatory fuel oil consumption data collection and reporting has been adopted by IMO in 2016. This entered into force on 1 March 2018, and collection of fuel consumption data commenced from 1 January 2019. The methodology is to be included in the Ship Energy Efficiency Management Plan (SEEMP).

- Upon verification of the submitted data, the Administrations will issue to the ships a Statement of Compliance related to fuel oil consumption.
- Finally, the Administrations will submit aggregate data to the IMO, which will maintain an anonymized IMO Ship Fuel Oil Consumption Database.

Engine exhaust emission standards are governed under MARPOL which from 1 January 2020 stipulated a global cap of 0.5% on the sulphur content of marine fuel compared to the previous cap of 3.5%. That said, a number of regions such as North America, North Sea, Caribbean and Baltic follow regulations that are stricter than the global standard and have from January 2015, required that vessels in these regions burn fuel with a maximum sulphur content of no more than 0.1%.

The switchover from 3.5% sulphur fuel to 0.5% sulphur fuel in 2020 was initially expected to be challenging due to the uncertainty regarding the availability and cost of compliant fuel. The transition, however, was relatively smooth and now three years after the regulation entered into force, there seem to be no problems with the availability of the new grade of compliant fuel with sulphur content below 0.5% by mass. Shipowners had the option of installing an exhaust gas scrubber unit, in which case fuel with a higher sulphur content (HSFO) (3.5%) could be used. The scrubber would then 'wash down' and reduce the sulphur levels in the exhaust to below 0.5% levels (VLSFO). Installing scrubber units on vessels, however, presents several challenges both technical as well as financial. Several design flaws became apparent during the past few years as most of the commercially available scrubbers frequently broke down at sea. There were a few cases where the ships were left immobilized/incapacitated due to extensive damage to the scrubber units themselves and in certain cases also to the main propulsion machinery. In addition, several countries have banned the discharge of wash water from Open-Loop Scrubbers in their coastal waters and it is possible that these restrictions may spread globally. With the price differential between HSFO and VLSFO progressively decreasing, PSL's decision not to install scrubbers on our vessels and to consume compliant fuel only (VLSFO) on our vessels instead has proven to be a correct one.

The International Maritime Organization adopted the Energy Efficiency Existing Ship Index (EEXI) and Carbon Intensity Index (CII) as an amendment to Marpol Annex VI, which entered into force on 1 January 2023.

EEXI Stands for Energy Efficiency Existing Ship Index. For vessels built after 2013, this is referred to as the Energy Efficiency Design Index or EEDI. This index is a measure of the CO₂ emissions per cargo tonne-mile, by determining the standardized CO₂ emissions related to installed engine power, transport capacity and ship speed. There are upper limits imposed by IMO on the maximum EEXI values permitted on all vessels- referred to as 'required EEXI'. The required levels are pre-determined on the basis of vessel size and type. The calculated EEXI figure for each vessel is referred to as 'attained EEXI'. If the 'attained EEXI' is higher than 'required EEXI', corrective measures will need to be adopted. Corrective measures include the installation of energy saving devices (eg. Mewis Duct) and Engine Power Limitation (EPL). Under EPL, the engines maximum continuous rating (MCR), which is the maximum power that the main engines were originally designed for, is limited either mechanically (on mechanical engines) or electronically (on the MAN ME and Wartsila Flex engines). 16 of our vessels are already compliant with the upcoming EEXI regulations (i.e. attained EEXI < required EEXI) and so no changes will be required for these vessels. The EEXI regulation does not apply to cement carriers and so no changes are required for our fleet of four cement carriers. 20 of our vessels have Engine Power Limitations (EPL) installed; however, only 13 vessels will require a speed reduction, following which there will be a drop in the maximum speed as well as the fuel consumption.

CII stands for Carbon Intensity Indicator and is a measure of the quantity of CO₂ actually emitted by the vessel when it is in service. Vessels are required to reduce their attained CII levels compared to a base year of 2019. The reductions required are 1% by 2020, 2% by 2021, 3% by 2022, 5% by 2023, 7% by 2024, 9% by 2025, and 11% by 2026. Required CII levels after 2027 are yet to be decided upon. Vessels will be awarded a 'rating' on a scale of A to E, with A representing a very good (low CII) rating and E representing a poor (high CII) rating. After 2023, an 'E' rating can be maintained for a maximum of 1 year after which the rating would have to be reduced to at least a 'D'. A 'D' rating can be maintained for a maximum period of 3 years after which the CII rating would have to drop to 'C'. To meet this challenge, the 'enhanced SEEMP' (Ship Energy Efficiency Management Plan - Part III) has been prepared and approved by the Recognized Organization (ClassNK) for all of PSL's vessels. Effective since January 1, 2023, this document outlines methods to reduce fuel consumption and, consequently, GHG emissions for each individual vessel.

3. Classification Societies

Ship classification societies are organizations that establish and apply technical standards in relation to the design, construction, and survey of marine-related facilities.

The role of classification and classification societies has been recognized in the International Convention for the Safety of Life at Sea, (SOLAS) and in the 1988 Protocol to the International Convention on Load Lines. With outstanding technical skills, Classification Societies have been recognized as reliable entities for verification of the condition of ships. Consequently, flag States have delegated their statutory authority regarding survey and certification of ships to Classification Societies under the provision of IMO regulations.

A classification certificate issued by a classification society recognized by the proposed ship register is required for a ship's owner to be able to register the ship and to obtain marine insurance on the ship.

Currently, more than 50 organizations worldwide describe their activities as including marine classification. The International Association of Classification Societies (IACS) a technically based non-governmental organization plays an important role within the International Maritime Organization (IMO), providing technical support and guidance and develops unified interpretations of the international statutory regulations developed by the member states of the IMO. The IACS currently consists of twelve-member marine classification societies.

PSL's vessels are classed with Nippon Kaiji Kyokai (Class NK), Lloyd's Register (LR), American Bureau of Shipping (ABS) Bureau Veritas (BV) and DNV. All five are members of IACS and have received authorization to act as Recognized Organizations under the IMO ("the RO Code")

4. Carriage of Goods by Sea Act

The Carriage of Goods by Sea Act (COGSA) was introduced in 1924 in Brussels after many shipping conferences were held among various European nations interested in shipping transportation. Subsequently, similar legislation was also introduced in the United States of America. This law is designed to govern the rights and responsibilities between the owners of the cargo being shipped (aka "shippers") and the persons or entities that transport the cargo for a fee (aka "carriers"); it covers the international transportation of merchandise by sea and has been amended many times since. The most recent amendment was made in 1992.

5. International Safety Management Code (ISM Code)

The ISM Code in its current form was adopted in 1993 and was made mandatory with the entry into force, on 1 July 1998, of the 1994 amendments to the SOLAS Convention. The purpose of the ISM code is to provide an international standard for the safe management and operation of ships and for pollution prevention. There are two relevant certificates issued by the government of the State whose flag the ship is entitled to fly or by an organization acting on behalf of that government – (1) the Document of Compliance 'DOC', evidencing that the relevant shipowner or operator (manager) has established a satisfactory Safety Management System (SMS) and (2) the Safety Management Certificate (SMC), issued after the auditing body is satisfied that the shipowner and its shipboard management operate in accordance with an approved Safety Management System. The code ensures that the ship and the company management ashore are subject to verification.

The Safety Management System of the Company and of the ships have always been audited and comply with the requirements of the International Management Code for the Safe Operations of Ships and for Pollution Prevention (ISM Code).

6. International Ship and Port Facility Security Code (ISPS Code)

The ISPS code is a comprehensive set of measures to enhance the security of ships and port facilities, developed in response to the perceived threats to ships and port facilities in the wake of the 9/11 attacks in the United States.

Having entered into force under SOLAS chapter XI-2, on 1 July 2004, the International Ship and Port Facility Security Code (ISPS Code) has since formed the basis for a comprehensive mandatory security regime for international shipping.

SOLAS contracting governments, port authorities and shipping companies are required, under the ISPS Code, to designate appropriate security officers and personnel, on each ship, port facility and shipping company. These security officers, designated Port Facility Security Officers (PFSOs), Ship Security Officers (SSOs) and Company Security Officers (CSOs), are charged with the duties of assessing, as well as preparing and implementing effective security plans that can manage any potential security threat.

All vessels in the fleet have been issued with an International Ship Security Certificate under the provisions of the ISPS Code.

7. Maritime Labour Convention (MLC)

The International Labour Organization (ILO) is the UN agency that sets internationally recognized labour standards to protect the rights of workers. The IMO and ILO cooperate on issues that come under the remit of both Organizations when they relate to seafarers. In February 2006, the ILO's Maritime Labour Convention (MLC) set the minimum standards to ensure satisfactory conditions of employment for the world's seafarers. The MLC 2006 achieved the required ratification criteria in August 2012 and entered into force on 20 August 2013; bringing together and updating over 65 other ILO maritime labour instruments, while introducing a system of certification and inspection to enforce it.

The MLC convention is also referred to as the "fourth pillar" of the maritime regulations, the others being SOLAS, MARPOL & STCW.

The Appendices to the MLC 2006 Convention contain two key model documents: a Maritime Labour Certificate and a Declaration of Maritime Labour Compliance. These certificates would be issued by the Flag State to a ship that flies its flag, once the State (or a recognized organization that has been authorized to carry out the inspections) has verified that the labour conditions on the ship comply with national laws and regulations implementing the Convention.

The MLC 2006 addresses the following in respect of conditions on board the ship:

Title 1: Minimum requirements for seafarers to work on a ship.

Title 2: Conditions of employment.

Title 3: Accommodation, recreational facilities, food and catering.

Title 4: Health protection, medical care, welfare and social security protection.

Title 5: Compliance and enforcement - on board complaint procedures.

Thailand had ratified the Maritime Labour Convention on 7 June 2016. It entered into force on 7 June 2017. All our Thai flag vessels are fully compliant.

Singapore had already ratified the MLC earlier. The Company's vessels flying the Singapore flag vessels are fully compliant with the MLC requirements.

In April 2014, the International Labour Organization (ILO) agreed on several amendments to the MLC to implement the principles agreed back in 2009 by the joint IMO/ILO financial security working group. These amendments entered into force on 18 January 2017. Ships that are subject to the MLC, after this date, are required to display certificates issued by an insurer or other financial security provider confirming that insurance or other financial security is in place for the cost and expense of crew repatriation, as well as up to four months contractually entitled arrears of wages and entitlements following abandonment. A further certificate will be required for liabilities for contractual claims arising from seafarer personal injury, disability, or death. P+I Clubs of the respective vessels have provided such certificates for all ships in our fleet. We have obtained these respective certificates for the individual ships from their respective P+I Clubs.

According to the provisions of the 2006 Maritime Labour Convention, the International Labour Organization (ILO) appealed to governments to ensure that seafarers are repatriated and that the risk of COVID-19 virus infection is minimized.

8. Ship Sanitation Certificate (SSC)

Historically, ships have played a significant role in the global transmission of infectious diseases. A World Health Organization (WHO) review identified more than 100 disease outbreaks associated with ships between 1970 and 2003. Because of the international nature of ship transport, international regulations relating to sanitary aspects of ship transport have been in place for more than half a century.

The International Health Regulations (IHR) (2005) is a key international public health document that is legally binding across 196 countries, including all World Health Organization (WHO) Member States, requiring them to work together for global health security. This fundamental document requires that ratifying countries have the ability to detect, assess, report and respond to public health events.

The IHR (2005) entered into force on 15 June 2007 and included “The Ship Sanitation Certificate” a document that corroborates a ship’s compliance with maritime sanitation and quarantine rules specified in article 39 of the International Health Regulations (2005) issued by the World Health Organization. The certificate serves as proof that the ship is free of clear sources of contagion and may be a requirement for permission of entry into a port in some jurisdictions. The SSC may be required from all ships, whether seagoing or inland navigation vessels, on an international voyage calling at the port of a State Party and may be renewed at any port authorized to do so.

Ship sanitation certificates (SSC) can be of two types: Ship Sanitation Control Certificates (SSCC) are issued when a health risk is found, and control measures (fumigation, etc.) have been successfully carried out. Ship Sanitation Control Exemption Certificates (SSCEC) are issued to vessels that have passed flying fists, that verify that the ship is free of animal vectors, potential disease reservoirs or ill humans.

All vessels in the fleet maintain a valid Ship Sanitation Control Exemption Certificate (SSCEC).

9. International Convention on the Control of Harmful Anti-fouling Systems (AFS) on Ships

The harmful environmental effects of organotin compounds were recognized by IMO in 1989. In November 1999, IMO adopted an Assembly resolution that called on the MEPC to develop an instrument, legally binding throughout the world, to address the harmful effects of anti-fouling systems used on ships.

This instrument was later adopted as the International Convention on the Control of Harmful Anti-fouling Systems on Ships. It was adopted on 5 October 2001, prohibiting the use of harmful organotin compounds in anti-fouling paints used on ships and established a mechanism to prevent the potential future use of other harmful substances in anti-fouling systems. The Convention entered into force on 17 September 2008.

The convention defines “anti-fouling systems” as “a coating, paint, surface treatment, surface or device that is used on a ship to control or prevent attachment of unwanted organisms”.

Anti-fouling paints are used to coat the bottoms of ships to prevent sea life such as algae and molluscs from attaching themselves to the hull – thereby slowing down the ship and increasing fuel consumption.

Amendments to the IMO Convention for the Control of Harmful Anti-fouling Systems on Ships (AFS Convention) – MEPC.331(76) – **Ban on use of AFS containing cybutryne.**

These amendments mean that AFS containing cybutryne shall not be applied or reapplied to any ship on or after 1 January 2023.

Ships bearing an AFS that contains cybutryne in the external coating layer of their hulls on 1 January 2023 shall either remove the anti-fouling system; or apply a coating that forms a barrier to this substance

leaching from the underlying non-compliant AFS; no later than either the next scheduled renewal of the anti-fouling system after 1 January 2023, but no later than 60 months following the last application to the ship of an anti-fouling system containing cybutryne.

All vessels in the fleet have been surveyed in accordance with the regulation and comply with the applicable requirements of the Convention and have been issued an International Anti-Fouling System certificate.

10. International Convention on Standards of Training, Certification and Watch-keeping (STCW) for Seafarers, 1978, as amended

The 1978 STCW Convention was the first to establish basic requirements on training, certification and watch-keeping for seafarers on an international level. Previously, the standards of training, certification and watch-keeping of officers and ratings were established by individual governments, usually without reference to practices in other countries. As a result, standards and procedures varied widely, even though shipping is the most international of all industries. The Convention prescribes minimum standards related to training, certification and watch-keeping for seafarers which countries are obliged to meet or exceed.

The 1995 amendments, adopted by a Conference, represented a major revision of the Convention, bringing about more stringent requirements to the standards.

Another major revision to the STCW Code was adopted at a Diplomatic Conference in Manila in June 2010, thereby ensuring that necessary global standards were in place to train and certify seafarers to operate technologically advanced ships for some time to come. The amendments, known as “The Manila amendments to the STCW Convention and Code” entered into force on 1 January 2012, under the tacit acceptance procedure and were aimed at bringing the Convention and Code up to date with developments since they were initially adopted in 1978 and further revised in 1995; and to enable them to address issues that are anticipated to emerge in the foreseeable future. Amongst the amendments adopted, there were a number of important changes to each chapter of the Convention and Code. The five-year transitional period ended on 1 January 2017 and the Manila Amendments have been fully implemented.

11. International Convention for the Control and Management of Ships’ Ballast Water and Sediments, 2004

Ships take in a large volume of ballast water after discharging cargo to maintain stability. This ballast water containing species from one region is discharged in another region where the ships load a cargo. The problem of invasive species has increased due to the expanded trade and traffic volume over the last few decades. The effects in many areas of the world have been devastating. Quantitative data show that the rate of bio-invasions is continuing to increase at an alarming rate, in many cases exponentially, and new areas are being invaded all the time. At present, the regulations require vessels to exchange ballast water at open sea before discharging into a different port. New regulations require ships to treat the ballast water taken into their tanks with the help of an approved Ballast Water Treatment System (BWTS) which needs to be installed onboard. The Ballast Water Management Convention entered into force on 8 September 2017, 12 months after ratification by 30 States, representing 35% of world merchant shipping tonnage. All vessels are required to carry a Ballast Water Management certificate. All new vessels’ keel laid from this date are required to be fitted with IMO approved ballast treatment plants. All existing vessels are required to retrofit such plants in a phased manner along with surveys associated with the first renewal of the International Oil Pollution Prevention (IOPP) certificate after 8 September 2019. All IMO approved treatment plants present in the market have not yet met the stringent US Coast Guard (USCG) approval requirements. There is a separate USCG schedule for BWTS installation, defined mainly by the number of USCG approved BWTS that were available in the market.

The MEPC adopted amendments to the International Convention for the Control and Management of Ships' Ballast Water and Sediments, 2004 (BWM Convention), concerning commissioning testing of ballast water management systems and the form of the International Ballast Water Management Certificate. The amendments entered into force on 1 June 2022.

The Committee also approved revised Guidance for the testing and commissioning of ballast water management systems (BWM.2/Circ.70/Rev.1); and revised Guidance on ballast water sampling and analysis for trial use in accordance with the BWM Convention and Guidelines (G2) (BWM.2/Circ.42/Rev.2).

The IMO's BWM.2/Circ.43/Rev.2 – 2024 Guidance provides recommendations for administrations on evaluating and approving modifications to type-approved Ballast Water Management Systems (BWMS). It addresses changes prompted by supply chain issues, obsolescence, performance enhancements, or cost-efficiency improvements. The evaluation process depends on whether the modification involves a major or minor component, ensuring the system's effective operation is maintained throughout its lifecycle.

The IMO's BWM.2/Circ.80/Rev.1 – 2024 Guidance outlines updated requirements for ballast water record-keeping and reporting under the BWM Convention, effective 1 February 2025.

The IMO's BWM.2/Circ.34/Rev.13 provides an updated list of ballast water management systems utilizing Active Substances that have received Basic and Final Approval, as of 24 October 2024.

As of the end of December 2024, PSL's fleet of 40 vessels is equipped with BWTS approved by both the IMO and the USCG.

12. Maritime Cyber Risk Management

Cyber security threats in present times have increased in variety, frequency and sophistication - from a Trojan USB stick that introduces malware aimed at acquiring sensitive commercial information or an email with detailed vessel itineraries sent to a large group of unknown people or the full-scale subverting of a company's IT system or the potential compromising of Automatic Identification System (AIS) and Electronic Chart Display and Information System (ECDIS) systems onboard ships. The number of potential risk scenarios is significant and keeps growing. Fraudsters employ whatever hacking technology works, often tailored to specific targets of opportunity. Ships nowadays regularly use Global Navigation Satellite System (GNSS) and ECDIS combined with Automatic Information System (AIS) transponders. An attack on Global Positioning Satellites (GPS) systems could threaten a vessel not knowing its precise location at sea or while maneuvering in port.

Ships are increasingly using systems that rely on digitalization, integration, and automation, which call for cyber risk management on board. As technology continues to develop, information technology (IT) and operational technology (OT) onboard ships are being networked together – and more frequently connected to the internet. This brings the greater risk of unauthorized access or malicious attacks to ships' systems and networks. Risks may also occur from personnel accessing systems on board, for example by introducing malware via removable media.

In the first quarter of 2020, PSL completed a full audit of our IT network based on BIMCO Cyber Security Guidelines, conducted by Lloyds Register, and based on the findings of this gap analysis of PSL's cyber security posture, we have taken action to eliminate all the weak points. Similarly, we also underwent a grey box penetration test done by an ethical hacker and based on the findings, have fully implemented all the recommended measures.

In compliance with IMO resolution MSC 428 (98), which encourages national administrations to ensure that cyber risks are appropriately addressed in safety management systems (SMS) no later than the first annual verification of the company's Document of Compliance after 1 January 2021, we have produced a "Cybersecurity Management Manual" which has now been incorporated into the company's SMS.

13. International Code for Ships Operating in Polar Waters (Polar Code)

IMO has adopted the Polar Code and related amendments in 2014 - 2015 to make it mandatory under both the International Convention for the Safety of Life at Sea (SOLAS) and the International Convention for the Prevention of Pollution from Ships (MARPOL). The Polar Code entered into force on 1 January 2017. This marks a historic milestone in the IMO's work to protect ships and people aboard them, both seafarers and passengers, in the harsh environment of the waters surrounding the two poles. By the amendment to the code, additional more stringent regulations to prevent discharge of Oil, Noxious liquid substances in bulk, Sewage and Garbage will be imposed in order to protect the environment. However, as our vessels do not trade in the Polar region, the code does not apply to us.

14. International Convention on Civil Liability for Bunker Oil Pollution Damage, 2001

The Convention entered into force on 21 November 2008 and was adopted to ensure that adequate, prompt, and effective compensation is available to persons who suffer damage caused by spills of oil when carried as fuel in ships' bunkers. The Convention applies to damage caused on the territory, including the territorial sea, and in exclusive economic zones of State Parties.

All vessels in the fleet have in place a policy of insurance or other financial security satisfying the requirements of Article VII of the International Convention on Civil Liability for Bunker Oil Pollution Damage, 2001.

15. The Nairobi International Convention on the removal of Wrecks, 2007 (the "Wrecks Convention")

The convention entered into force on 14 April 2015 and provides the legal basis for States to remove, or have removed, shipwrecks that may have the potential to affect adversely the safety of lives, goods, and property at sea, as well as the marine environment. The convention requires the registered owner of any seagoing vessel of 300 GT and over to maintain insurance or other financial security to cover the costs of locating, marking and removing wrecks. A certificate is issued to the vessel by a state party to the convention, attesting that the necessary insurance is in place.

All vessels in the fleet have in place a policy of insurance or other financial security satisfying the requirements of Article 12 of the Nairobi International Convention on the removal of Wrecks, 2007.

16. International Maritime Solid Bulk Cargoes (IMSBC) Code

The International Convention for the Safety of Life at Sea, 1974 (SOLAS Convention), as amended, deals with various aspects of maritime safety and contains, in chapter VI, the mandatory provisions governing the carriage of solid bulk cargoes. These provisions are extended in the International Maritime Solid Bulk Cargoes Code (IMSBC Code).

The primary aim of the International Maritime Solid Bulk Cargoes Code (IMSBC Code), which replaces the Code of Safe Practice for Solid Bulk Cargoes (BC Code), is to facilitate the safe stowage and shipment of solid bulk cargoes by providing information on the dangers associated with the shipment of certain types of solid bulk cargoes and instructions on the procedures to be adopted when the shipment of solid bulk cargoes is contemplated.

The prime hazards associated with the shipment of solid bulk cargoes are those relating to structural damage due to improper cargo distribution, loss or reduction of stability during a voyage and chemical reactions of cargoes. Therefore, the primary aim of the IMSBC Code is to facilitate the safe stowage and shipment of solid bulk cargoes by providing information on the dangers associated with the shipment of certain types of solid bulk cargoes and instructions on the procedures to be adopted when the shipment of solid bulk cargoes is contemplated. Observance of the Code harmonizes the practices and procedures to be followed and the appropriate precautions to be taken in the loading, trimming, carriage and discharge of solid bulk cargoes when transported by sea, ensuring compliance with the mandatory provisions of the SOLAS Convention.

The IMSBC Code was adopted on 4 December 2008, by resolution MSC.268(85), and entered into force on 1 January 2011, from which date it was made mandatory under the provisions of the SOLAS Convention.

Amendment 06-21, initially scheduled to take effect on January 1, 2023, experienced a delay in official approval at the International Maritime Organization (IMO) due to the COVID impact. Subsequently, significant amendments to the IMSBC Code have been implemented, and the details are presented below.

1. Revised definitions of the IMSBC Code group classifications
2. Deletion of Group C cargo entry “Ammonium nitrate-based fertilizers” and introduction of a whole new Group C entry for the same cargo
3. Deletion of Group C cargo entry “Superphosphate (triple, granular)” with a new Group B entry of the same name
4. Addition of new cargoes
5. Revision of the cargo declaration form.

Compliance with the amended IMSBC Code requirements became mandatory starting from December 1, 2023.

17. The International Maritime Dangerous Goods (IMDG) Code

The International Convention for the Safety of Life at Sea, 1974 (SOLAS), as amended, deals with various aspects of maritime safety and contains in chapter VII the mandatory provisions governing the carriage of dangerous goods in packaged form. The carriage of dangerous goods in packaged form shall comply with the relevant provisions of the International Maritime Dangerous Goods (IMDG) Code which is considered an extension to the provisions of SOLAS chapter VII.

Furthermore, the International Convention for the Prevention of Pollution from Ships, 1973, as modified by the Protocol of 1978 relating thereto (MARPOL), which contains in its Annex III mandatory provisions for the prevention of pollution by harmful substances carried by sea in packaged form, prohibits the carriage of harmful substances in ships except in accordance with the provisions of MARPOL Annex III, which are also extended in the IMDG Code.

The IMDG Code was developed as an international code for the maritime transport of dangerous goods in packaged form, in order to enhance and harmonize the safe carriage of dangerous goods and to prevent pollution to the environment. The Code sets out in detail the requirements applicable to each individual substance, material or article, covering matters such as packing, container traffic and stowage, with particular reference to the segregation of incompatible substances.

The Code was initially adopted in 1965 as a recommendatory instrument. It was in 2002 that the general Assembly at its seventeenth session adopted by resolution A.716(17) the IMDG Code and decided to give it a mandatory status under the umbrella of SOLAS Convention, from 1 January 2004. However, some parts of the Code remain recommendatory.

The IMDG Code, 2022 Edition (inc. Amendment 41-22) comes into force on 1 January 2024.

18. FAL Convention

For international shipping to thrive, a unified, global approach to Facilitation is vital. This is the purpose of the international treaty called the FAL Convention.

The FAL Convention has been in force since 1967 but is kept continually amended and updated by Governments at the FAL Committee of IMO – which usually meets once a year at IMO’s London Headquarters.

In its Annex, the FAL Convention contains standards and recommended practices and rules for simplifying formalities, documentary requirements and procedures on ships’ arrival, stay and departure.

Under the FAL Committee, IMO developed standardized FAL documentation (known as FAL Forms) for authorities and Governments to use.

Since April 2019, the FAL Convention makes it mandatory for ships and ports to exchange FAL declarations electronically, and from January 2024, the single window approach will be mandatory in all ports.

19. Various Regional and Local Regulations around the world

Shipping is regulated by various regional regulations and acts like:

- US Environmental Protection Act (EPA) - The Environmental Protection Agency is an independent executive agency of the United States federal government tasked with environmental protection matters.
- US National Pollutant Discharge Elimination System (NPDES) is a system under the US Environmental Protection Rules (Clean Water Act) to minimize pollution within US territorial waters (3 nm). For ships greater than 79 feet in length, all the requirements are laid out in a document called the Vessel General Permit (VGP). These requirements are additional to international environmental rules such as MARPOL. The VGP establishes technology-based effluent limits for all vessels and 26 specific discharges incidental to the normal operation of a vessel. In addition to these discharge and vessel specific requirements, extensive requirements are included for inspections, monitoring, reporting and record-keeping. The VGP requires a detailed review of environmental protection systems, crew training and record-keeping. The rules have been in force since the beginning of 2009. VGP requirements of the Environment Protection Agency (EPA) have become more stringent since January 2014.
- Since the year 2009 bulk cargo vessels (non-tank vessels) were required to have in place a non-tank vessel response plan (NTVRP) as per the US Code of Federal Regulations. The scope and requirements for US NTVRP are becoming larger and more vessel-specific since January 2014. Contracts and funding agreements are required with Salvage and Marine Fire Fighting companies as well as oil spill response organizations.
- California Air Resources Board (CARB): Since 1 January 2014, vessels operating within 24 nautical miles of California's coast must comply with stringent fuel regulations, limiting sulphur content in fuels to 0.1% for both marine gas oil and diesel oil.
- US EPA has made it mandatory from 1 July 2012, for all vessels to have in place control measures and records against bio-fouling activity while in US waters.
- New Zealand has introduced strict regulations against biofouling in May 2018 under which ships calling at ports in New Zealand are expected to have the underwater hull and appendages cleaned not over 30 days before calling in New Zealand or within 24 hours after the time of arrival.
- As per European Union directives, fuel burnt in ports within EU territory continues to be capped at 0.1% sulphur content.
- Turkey is not a member of the EU, but its sulphur emission regulation is aligned with that of the EU. Hence, all ships are required to use marine fuels with a sulphur content not exceeding 0.10% while at berth in Turkish ports or operating on Turkish inland waterways. The requirement does not, however, apply to ships transiting the Turkish Straits, that is, the Bosphorus and the Dardanelles, and the Marmara Sea, unless their transit process, e.g. a stay at an anchorage or in a port whilst awaiting passage, exceeds two hours.
- Black sea ports Bulgaria, Georgia, Romania, Russian Federation, Ukraine & Turkey are members of "The Commission on the Protection of the Black Sea Against Pollution". Ships calling at these ports are subject to controls more stringent than MARPOL regulations and

US requirements. Discharge of ballast water, sewage, grey water from washrooms and even deck wash water are subject to scrutiny by the authorities.

- China enforced its national fuel cap regulations since 1 January 2019.
 - From 1 January 2019, vessels must use fuel with a sulphur content not exceeding 0.50% while operating within the Coastal ECA, i.e., within China's territorial sea (including the Hainan Coastal ECA).
 - From 1 January 2020, vessels entering Inland ECAs (Yangtze River and Xi Jiang River) must use fuel with a sulphur content not exceeding 0.10% while operating within the Inland ECA.
 - From 1 January 2022, vessels must use fuel with a sulphur content not exceeding 0.10% while operating within the Hainan Coastal ECA.
 - As part of its effort to prevent air pollution from ships, the Chinese authorities may determine that even stricter fuel quality requirements should be imposed in future. Under consideration is the implementation of a 0.10% sulphur cap in the Coastal ECA from 1 January 2025.
- The Republic of Korea (South Korea) is the latest country to announce the designation of national sulphur emission control areas which entered into force on 1 September 2020. The national South Korean sulphur restrictions will apply to the following six ports and a national sulphur emission control area has been defined for each port (Busan / Incheon / Ulsan / Yeosu / Gwangyang, including Hadong / Pyeongtaek-Dangjin). Initially, from 1 September 2020, ships had to switch to fuel oil not exceeding a sulphur content of 0.10% from one hour after completion of anchoring or mooring to one hour before completion of heaving up the anchor or de-berthing.
 - On 1 January 2022, the requirement within the national sulphur emission control areas was tightened and ships needed to switch to fuel oil not exceeding a sulphur content of 0.10% when trading within a national sulphur emission control area.
- Effective 1 January 2020, the use of LSFO or other compliant fuels containing no more than 0.5% of sulphur became mandatory for vessels operating the world over unless the vessels are fitted with scrubbers capable of extracting sulphur content from the exhaust gas emissions.
- From 1 July 2024, an amendment to MARPOL will take effect whereby there shall be a prohibition on the use and carriage for use as fuel of heavy fuel oil (HFO) by ships in Arctic waters. The prohibition will cover the use and carriage for use as fuel of oils having a density at 15°C higher than 900 kg/m³ or a kinematic viscosity at 50°C higher than 180 mm²/s. Ships engaged in securing the safety of ships, or in search and rescue operations, and ships dedicated to oil spill preparedness and response would be exempted. Ships that meet certain construction standards with regard to oil fuel tank protection would need to comply on and after 1 July 2029. A Party to MARPOL with a coastline bordering Arctic waters may temporarily waive the requirements for ships flying its flag while operating in waters subject to that Party's sovereignty or jurisdiction, up to 1 July 2029.
- The CII rating was introduced from 1 January 2023 based on the annual fuel consumption of each ship. The ships subject to the CII rating are required to develop a SEEMP (Part III) to include "CII calculation methodology", "Required CII values over the next 3 years", "implementation plan for achieving the required CII" and "procedures for self-evaluation and improvement", which is to be confirmed by the Administration or a Recognized Organization (RO). From 2023, the IMO DCS data will be subject to the CII rating, and a rating (A, B, C, D or E) will be given to each ship from 2024. Ships that have an E rating in any year or D ratings for 3 consecutive years are required to develop a corrective action plan in the SEEMP Part III and the plan should be confirmed by the Administration or an RO.

- CO2 reporting schemes (IMO DCS / EU MRV / UK MRV).
 - IMO DCS (Data Collection System) - From the calendar year 2019 each ship of 5,000 gross tonnage and above require to collect and report data on their fuel consumption (following a yearly cycle) to the Flag state or Recognized Organization, this should be done within three months after the end of each calendar year. Data collected is reviewed and submitted to the data collection centre at the IMO. After verification, a Statement of Compliance (SoC) is issued in due time before the 31 of May.

PSL vessels' data collection and reporting are being reviewed from 1 January 2019 onwards by the Recognized Organization.

- EU MRV (Monitoring, Reporting and Verification) - With effect from 31 August 2017, each ship of 5,000 gross tonnage and above calling any EU ports should have an approved vessel-specific CO2 Monitoring, Reporting & Verification Plan (MRV). Plans are to be submitted to the competent authority after the end of each calendar year before the 30 of April. 30 June of each year after the reporting period - the Document of Compliance issued by the verifier is to be on-board

PSL vessels calling at EU ports have been submitting data as per the EU MRV and have received the Documents of Compliance from the Recognized Organization.

- UK MRV (Monitoring, Reporting and Verification) - Due to Brexit, EU MRV no longer applies to ships visiting UK ports. As such, the UK is no longer part of the EU MRV regime, but it has retained and amended the EU legislation with the establishment of an identical scheme, the UK MRV scheme, to monitor, report and verify emissions data from ships calling at UK ports. Shipping companies will have to submit their first UK MRV emissions reports to verification bodies in early 2023, with the first monitoring period starting on 1 January 2022.
- Ship Recycling Conventions - In view of an increased concern about various environmental issues, the focus on the use of non-hazardous materials in ship design, building and operation is also increasing. Two regulations are presently governing these issues:
 - Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, 2009 SR/CONF/45 (HKC) and
 - Regulation (EU) No. 1257/2013 of the European Parliament and of the Council of 20 November 2013 on Ship Recycling (EU SRR).
 - The EU SRR and the HKC, both statutory requirements, place responsibility on ship owners, shipbuilders, suppliers, recycling facilities and national authorities to ensure the safe and environmentally viable management of hazardous materials (hazmat) as well as the sustainable recycling of ships. A fundamental requirement of these regulations is the documentation of hazardous materials onboard ships, the so-called Inventory of Hazardous Materials (IHM), and the authorization of ship recycling facilities.
 - With effect from 31 December 2020, EU Regulation on Ship Recycling will apply to foreign ships in EU waters. Ships are to comply with the Inventory of Hazardous Material (IHM)
 - PSL has obtained the Statement of Compliance on Inventory of Hazardous Materials (IHM) for all the vessels in the fleet.
- The European Emissions Trading System ("EU ETS") is a cornerstone of the EU's policy to combat climate change and its key tool for reducing greenhouse gas emissions cost-effectively. It is the world's first major carbon market and remains the biggest one.

ETS is a cap-and-trade system for cutting down GHG emissions. It has two principles, setting a ceiling on the yearly maximum amount of GHG emissions and the trading of EU emission allowances (EUAs).

Beginning from 2025, shipping companies will have to surrender EUAs based on their EU MRV. To ensure a smooth transition, shipping companies will be given a three-year phase-in period where they will surrender allowances for a portion of their emissions, based on the following schedule;

- a) 40% of verified emissions in 2024
- b) 70% of verified emissions in 2025
- c) 100% of verified emissions in 2026.

The regulated entity shall surrender sufficient allowances by 30 April of each year to cover its emissions during the preceding year. In case these allowances are not adequate, the regulated entity shall be held liable for the payment of an excess emissions penalty while Member States shall publish the names of shipping companies that fail to submit sufficient allowances.

As from 1 January 2024, the scope of the EU MRV Regulation shall be extended to include methane (CH₄) and nitrous oxide (N₂O). As such, from 1 January 2024, shipping companies must monitor and report methane (CH₄) and nitrous oxide (N₂O) emissions, in addition to CO₂ emissions.

- From 1 May 2024, the Mediterranean Sea will be designated as an Emission Control Area (ECA) for sulphur oxides (SO_x) and particular matter (PM); however, these requirements will take effect from 1 May 2025 and then onwards it will be mandatory for ships to either use fuel oil with a sulphur content of 0.10% m/m or utilize an exhaust gas cleaning system (EGCS) while sailing through the Mediterranean Sea ECA.
- A new regulation 43A in Chapter 9 of MARPOL Annex I will introduce a ban on the use and carriage of heavy fuel oil (HFO) in Arctic waters on and after 1 July 2024.

The prohibition will cover the use and carriage for use as fuel of oils having a density at 15°C higher than 900 kg/m³ or a kinematic viscosity at 50°C higher than 180 mm²/s. However, the carriage of heavy fuel oil as cargo is not prohibited.

The application will be to all ships, except for ships engaged in securing the safety of ships or in search and rescue operations, and ships dedicated to oil spill preparedness and response.

Exemptions for ships with fuel tanks protected by double hulls, and waivers for ships flying the flag of countries with a coastline bordering on Arctic, that will allow these ships to continue carry HFO for use until 1 July 2029.

20. Port State Control (PSC) Inspections

Port State control (PSC) is an inspection regime for countries to inspect foreign-registered ships in a port other than those of the flag state. There are Nine regional agreements on port State control – Memoranda of Understanding or MoUs. The United States Coast Guard maintains the tenth PSC regime.

The primary responsibility for ships' standards rests with the flag State - but port State control provides a "safety net" to identify substandard ships and act against ships that are not in compliance.

Inspectors for PSC are called PSC officers (PSCOs) and are required to investigate compliance with the requirements of international conventions, such as SOLAS, MARPOL, STCW, and the MLC. Inspections can involve checking that the vessel is manned and operated in compliance with applicable international law and verifying the competency of the ship's master and officers, and the ship's condition and equipment.

Any serious deficiency identified by the inspectors may result in the detention of the vessel, invariably causing delays till the deficiency is rectified.

21. Maritime Single Window (MSW)

Maritime Single Window (MSW) requirement becomes mandatory from January 1, 2024. This new mandate under the IMO's Facilitation Convention obligates all member states to establish a single digital platform for the exchange of information between ships, ports, and government authorities.

22. IMO's Maritime Safety Committee (MSC)

The IMO's Maritime Safety Committee (MSC) has initiated a comprehensive review of the 1978 STCW Convention and Code, which is set to be completed by the autumn of 2027. This review process will take place in multiple phases, involving the development of a roadmap, reviewing various aspects of the Convention and Code, and ensuring that seafarer training requirements evolve in line with modern maritime practices and technologies.

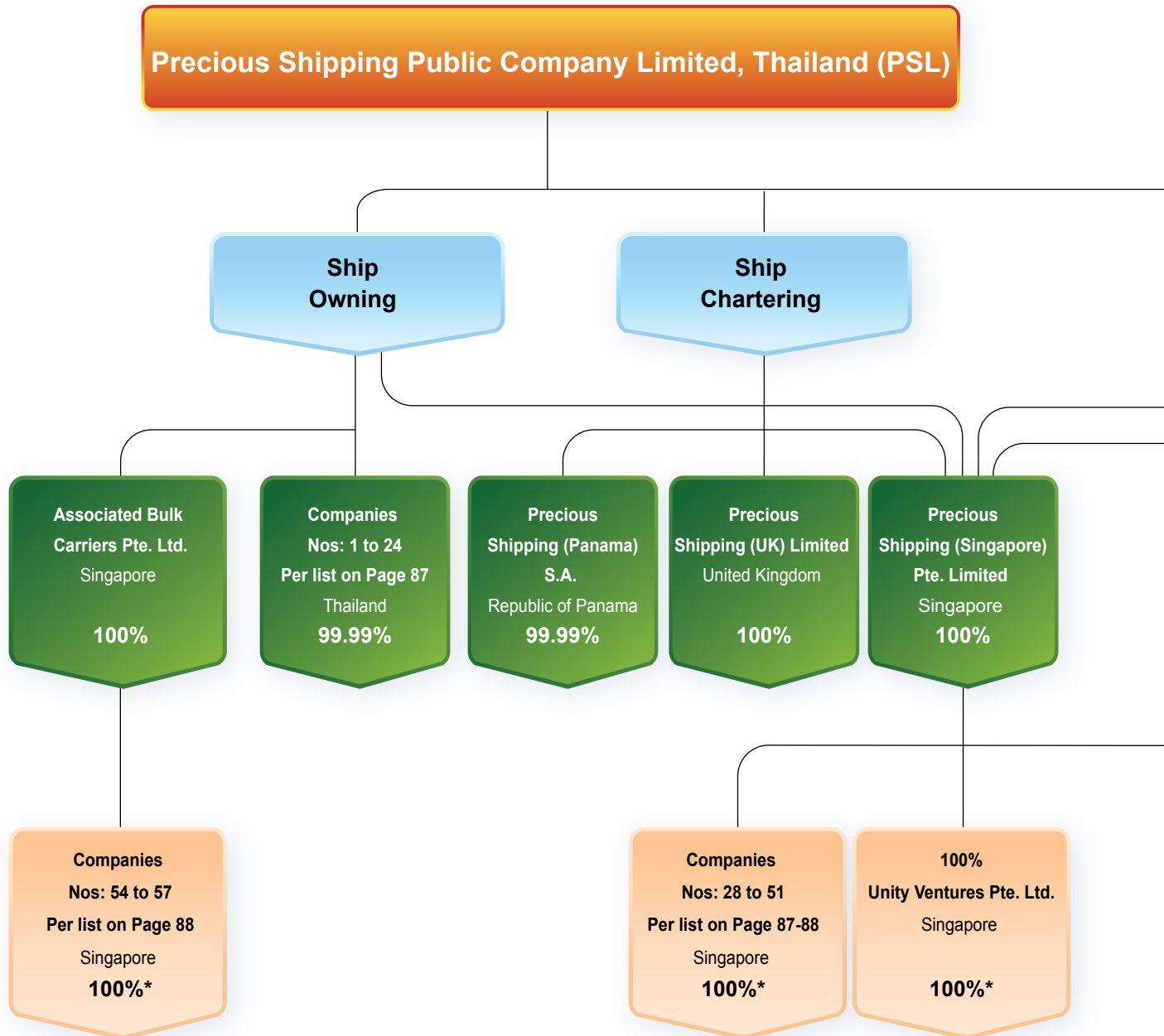
FLEET LIST

As on 31 December 2024

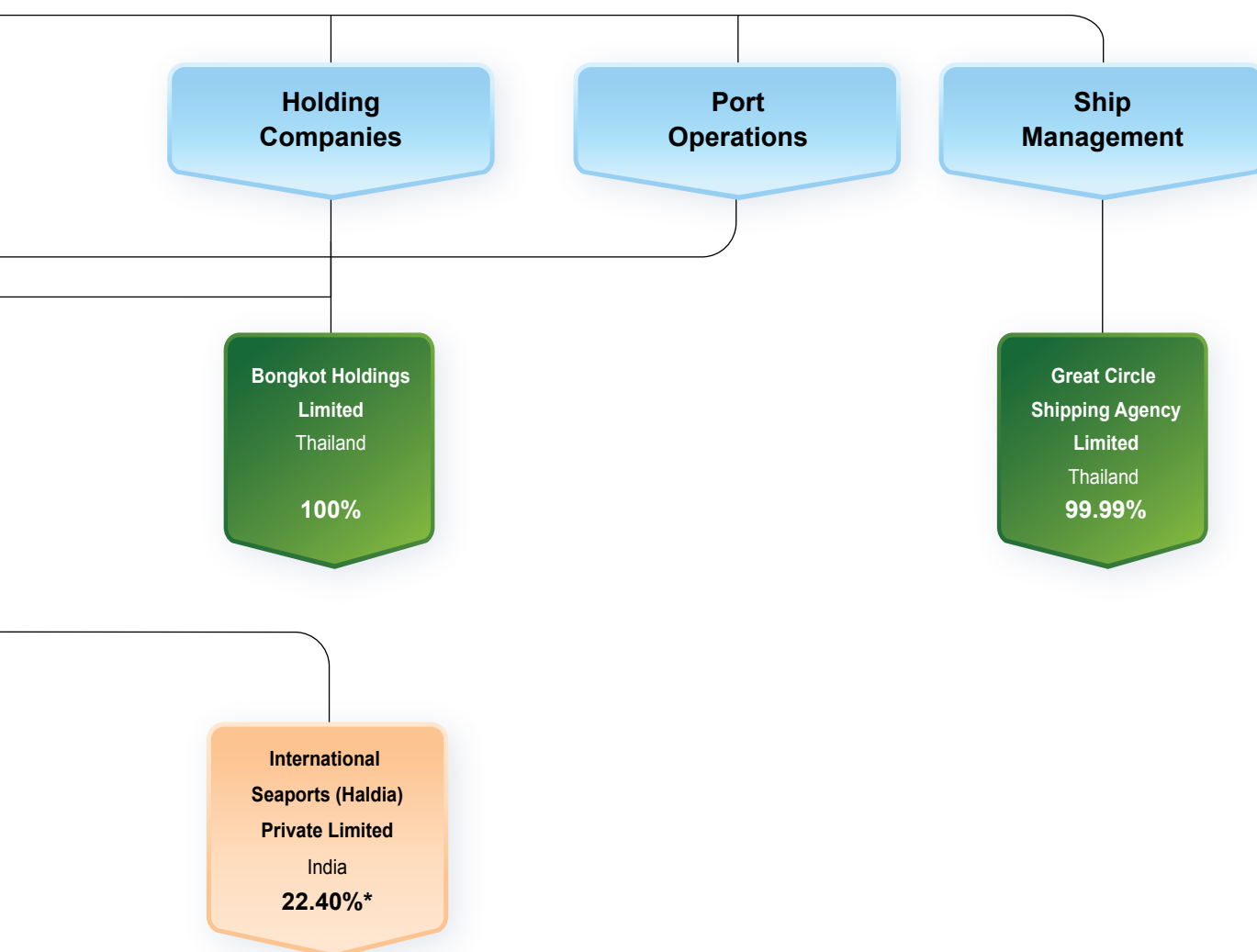
No.	Vessel Name	Flag	Year Built	Dead Weight Tonnes (DWT)	*Net Book Value (Million US\$)	**Insured Value (Million US\$)
1	Rojarek Naree	Thai	2005	29,870	7.76	8.75
2	Nalinee Naree	Thai	2005	31,699	8.28	9.50
3	Chamchuri Naree	Singapore	2005	33,733	8.07	10.00
4	Mookda Naree	Thai	2009	30,163	10.13	10.20
5	Mayuree Naree	Thai	2008	30,193	9.11	9.50
6	Mallika Naree	Thai	2008	30,195	9.00	9.50
7	Lanna Naree	Thai	2012	33,843	12.76	13.25
8	Latika Naree	Thai	2012	33,869	12.90	13.25
9	Ananya Naree	Singapore	2011	33,857	16.71	16.80
10	Benjamas Naree	Singapore	2012	33,780	17.43	17.50
11	Chintana Naree	Singapore	2013	33,946	15.71	15.80
12	Vipha Naree	Singapore	2015	38,851	15.60	19.50
13	Viyada Naree	Singapore	2016	38,716	16.31	20.50
14	Phatra Naree	Thai	2017	35,883	23.05	23.75
15	Pavida Naree	Thai	2018	35,340	25.08	25.10
16	Hansa Naree	Singapore	2018	39,989	24.45	25.50
17	Hatthaya Naree	Singapore	2015	39,266	20.56	20.00
18	Nitaya Naree	Singapore	2015	39,266	19.12	20.10
19	Napha Naree	Thai	2015	38,737	19.23	20.00
20	Nisa Naree	Singapore	2015	39,248	19.29	20.25
Handysize 20 Vessels		Total		700,444	310.55	328.75
		Average		35,022	15.53	16.44
21	Kanchana Naree	Thai	2011	56,920	16.77	16.80
22	Kirana Naree	Thai	2011	56,823	16.87	16.90
23	Warisa Naree	Thai	2010	53,839	9.20	10.75
24	Wariya Naree	Thai	2011	53,833	10.40	11.75
25	Apiradee Naree	Singapore	2012	56,512	17.46	17.40
26	Baranee Naree	Singapore	2012	56,441	17.40	17.40
27	Chayanee Naree	Singapore	2012	56,548	17.44	17.50
28	Daranee Naree	Singapore	2012	56,588	17.40	17.40
Supramax 8 Vessels		Total		447,504	122.94	125.90
		Average		55,938	15.37	15.74
29	Inthira Naree	Thai	2014	63,456	19.37	23.00
30	Issara Naree	Thai	2014	63,516	19.30	23.00
31	Sarita Naree	Thai	2015	62,964	18.80	24.50
32	Sarika Naree	Thai	2015	63,023	18.87	24.50
33	Savitree Naree	Singapore	2016	63,016	19.13	25.75
34	Savita Naree	Singapore	2016	62,970	19.43	26.00
35	Sunisa Naree	Thai	2016	63,007	19.65	26.00
36	Sarocho Naree	Singapore	2017	63,046	20.29	27.50
Ultramax 8 Vessels		Total		504,998	154.84	200.25
		Average		63,125	19.36	25.03
37	Apinya Naree	Singapore	2014	21,136	16.25	23.00
38	Boonya Naree	Singapore	2014	21,159	16.56	23.20
39	Chanya Naree	Singapore	2014	21,113	16.46	23.00
40	Danaya Naree	Singapore	2015	21,150	17.20	23.00
Cement Carriers 4 Vessels		Total		84,558	66.47	92.20
		Average		21,140	16.62	23.05
40 Vessels		Total		1,737,504	654.80	747.10
		Average		43,438	16.37	18.68

Remarks * Net Book Value is as per US Dollars (functional currency) financial statements as on 31 December 2024.
 ** Insured Value means agreed value to be received from the insurer in case of total loss of the Vessel.

CORPORATE STRUCTURE



* Represents indirect ownership of PSL



Legend

Name of Company.
Country of Incorporation.
Percentage of
Ownership.

CORPORATE INFORMATION

(As of 31 December 2024)

Name of Company	Precious Shipping Public Company Limited
SET Symbol	PSL
Business	Shipowner and Holding Company
Registration No.	0107537000629
Date of establishment	1 December 1989
Date of conversion to public limited company	18 February 1994
Date of listing on the SET	16 September 1993
Registered address	8 North Sathorn Road, G, 7 th , 8 th , 9 th Floors, Silom, Bangrak, Bangkok 10500 Thailand
Contact details	Telephone: 66-2 696-8800 Facsimile: 66-2 236-7654 E-mail: ir@preciousshipping.com Home page: http://www.preciousshipping.com
Latest Company Rating	BBB/Stable by TRIS Rating Co., Ltd., announced on 10 October 2024
Ordinary Shares	
Authorized share capital	Baht 1,559,291,862 (1,559,291,862 shares of Baht 1 each)
Issued and fully paid-up share capital	Baht 1,559,291,862 (1,559,291,862 shares of Baht 1 each)
The Guaranteed Sustainability-Linked Bonds of Precious Shipping Public Company Limited No. 1/2567 (2024) Series 1 Due B.E. 2572 (2029)	
ThaiBMA Symbol	PSL290A
Issue Date	18 October 2024
Type of Bonds	Long term, Unsubordinated and Guaranteed Sustainability-Linked Bonds and a bondholders' representative in a name- registered form
Guarantor	Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank ("CGIF")
Offering to	Private Placement to PP-II & HNW
Issue Size	Baht 680 million
Par Value	1,000 Baht per unit
Offering Price	1,000 Baht per unit
Swap	The proceeds from the Bonds may be swapped to USD to cover the currency risk on the Thai Baht denominated liability of the Company
Tenor	5 years
Maturity Date	18 October 2029
Coupon	3.52% per annum
Coupon Payment	Semi-Annually
Call option	None
Issue Rating	AAA/Stable rating by TRIS Rating Co., Ltd., announced on 28 August 2024
Arranger	Overseas Bank (Thai) Public Company Limited
Bondholders' Representative	Asia Plus Securities Company Limited
Registrar and Paying Agent	CIMB Thai Bank Public Company Limited
Governing law	Thai law

The Guaranteed Sustainability-Linked Bonds of Precious Shipping Public Company Limited No. 1/2567 (2024) Series 2 Due B.E. 2577 (2034) With Call Option	
ThaiBMA Symbol	PSL340A
Issue Date	18 October 2024
Type of Bonds	Long term, Unsubordinated and Guaranteed Sustainability-Linked Bonds and a bondholders' representative in a name-registered form
Guarantor	Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank ("CGIF")
Offering to	Private Placement to PP-II & HNW
Issue Size	Baht 680 million
Par Value	1,000 Baht per unit
Offering Price	1,000 Baht per unit
Swap	The proceeds from the Bonds may be swapped to USD to cover the currency risk on the Thai Baht denominated liability of the Company
Tenor	10 years
Maturity Date	18 October 2034
Coupon	3.97% per annum
Coupon Payment	Semi-Annually
Call option	Year 7, 8 & 9
Issue Rating	AAA/Stable rating by TRIS Rating Co., Ltd., announced on 28 August 2024
Arranger	Overseas Bank (Thai) Public Company Limited
Bondholders' Representative	Asia Plus Securities Company Limited
Registrar and Paying Agent	CIMB Thai Bank Public Company Limited
Governing law	Thai law
Share Registrar	THAILAND SECURITIES DEPOSITORY CO., LTD. No. 93, Ratchadaphisek Road, Dindaeng Subdistrict, Dindaeng District, Bangkok 10400 Telephone: 66-2 009-9000 Facsimile: 66-2 009-9991 Call Center: 66-2 009-9999 E-mail: contact.tsd@set.or.th Website: http://www.tsd.co.th
Main Banks	KRUNG THAI BANK PUBLIC COMPANY LIMITED No.10, Sukhumvit Road, Klongtoey Subdistrict, Klongtoey District, Bangkok, 10110 Telephone: 66-2 208-7000, 8000 Facsimile: 66-2 255-9391-3 Website: http://www.ktb.co.th KASIKORNBANK PUBLIC COMPANY LIMITED 1 Soi Kasikornthai, Ratburana Road, Bangkok 10140 Telephone: 66-2 888-8800 Facsimile: 66-2 888-8882 Website: http://www.kasikornbank.com EXPORT-IMPORT BANK OF THAILAND EXIM Building, 1193 Phaholyothin Road, Samsen Nai, Phayathai, Bangkok 10400 Telephone: 66-2 271-3700 Facsimile: 66-2 271-3204 Website: http://www.exim.go.th

	INTERNATIONAL FINANCE CORPORATION Siam Piwat Tower, 28 th Floor, 989 Rama1 Rd., Patumwan, Bangkok 10330 Telephone: 66-2-686-6568 Website: www.ifc.org
	CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK 12, place des Etats-Unis, CS70052, 92547 Montrouge Cedex, France c/o Credit Agricole Asia Shipfinance Limited 27 th Floor, Two Pacific Place, 88 Queensway, Hong Kong Telephone: +852 2848 9906 Facsimile: +852 2868 1448 Website: www.ca-cib.com
	BANGKOK BANK PUBLIC COMPANY LIMITED, SINGAPORE BRANCH 180 Cecil Street, Bangkok Bank Building, Singapore 069546 Telephone 65 6410 0400 Website: https://www.bangkokbank.com/en/International-Banking/Asean/Singapore-Business-Banking
	TMBTHANACHART BANK PUBLIC COMPANY LIMITED 3000 Phahonyothin Rd. Khwang Chomphon, Khet Chatuchak, Bangkok 10900 Telephone 66 2242 3380 Website: https://www.ttbbank.com
Auditor	EY OFFICE LIMITED 33 rd Floor, Lake Rajada Office Complex 193/136-137 Rajadapisek Road, Klongtoey District, Bangkok 10110 (Opposite Benjakitti Park / Near Queen Sirikit National Convention Centre) G.P.O. Box 1047, Bangkok 10501, Thailand Telephone: 66-2 264-9090 Facsimile: 66-2 264-0789 E-mail: EY.Thailand@th.ey.com
Main Legal Counsel	THANATHIP & PARTNERS LEGAL COUNSELLORS LIMITED 17 th Floor, Tonson Tower 900 Ploenchit Road Lumpini, Pathumwan, Bangkok 10330 Telephone: 66-2 089 8902 E-mail: info@thanathippartners.com Website: https://www.thanathippartners.com

NAME AND CATEGORY OF SUBSIDIARIES AND ASSOCIATED COMPANIES IN WHICH THE COMPANY HOLDS MORE THAN 10% OF THEIR SHARES

Sr No.	Name of Subsidiaries and Associated Companies	Currency	Registered Capital	Issued and paid-up Share Capital	Percentage of Shareholding	Category of business
1	Precious Metals Limited	Baht	275,000,000	275,000,000	99.99	Shipowner
2	Precious Wishes Limited	Baht	230,000,000	230,000,000	99.99	Shipowner
3	Precious Stones Shipping Limited	Baht	260,000,000	260,000,000	99.99	Shipowner
4	Precious Lands Limited	Baht	306,000,000	306,000,000	99.99	Shipowner
5	Precious Lakes Limited	Baht	184,000,000	184,000,000	99.99	Shipowner
6	Precious Oceans Limited	Baht	150,000,000	150,000,000	99.99	Shipowner
7	Precious Planets Limited	Baht	270,000,000	270,000,000	99.99	Shipowner
8	Precious Sapphires Limited	Baht	144,000,000	144,000,000	99.99	Shipowner
9	Precious Emeralds Limited	Baht	366,000,000	366,000,000	99.99	Shipowner
10	Precious Rubies Limited	Baht	259,360,000	259,360,000	99.99	Shipowner
11	Precious Opals Limited	Baht	249,360,000	249,360,000	99.99	Shipowner
12	Precious Pearls Limited	Baht	173,000,000	173,000,000	99.99	Shipowner
13	Precious Flowers Limited	Baht	336,000,000	336,000,000	99.99	Shipowner
14	Precious Forests Limited	Baht	286,000,000	286,000,000	99.99	Shipowner
15	Precious Trees Limited	Baht	202,000,000	202,000,000	99.99	Shipowner
16	Precious Ponds Limited	Baht	124,000,000	124,000,000	99.99	Shipowner
17	Precious Ventures Limited	Baht	202,000,000	202,000,000	99.99	Shipowner
18	Precious Jasmines Limited	Baht	567,000,000	567,000,000	99.99	Shipowner
19	Precious Orchids Limited	Baht	217,000,000	217,000,000	99.99	Shipowner
20	Precious Lagoons Limited	Baht	140,000,000	140,000,000	99.99	Shipowner
21	Precious Comets Limited	Baht	141,000,000	141,000,000	99.99	Shipowner
22	Precious Ornaments Limited	Baht	156,000,000	156,000,000	99.99	Shipowner
23	Precious Venus Limited	Baht	298,800,000	298,800,000	99.99	Shipowner
24	Precious Neptune Limited	Baht	298,800,000	298,800,000	99.99	Shipowner
25	Bongkot Holdings Limited	Baht	250,000,000	250,000,000	100	Holding company/ Investment
26	Great Circle Shipping Agency Limited	Baht	210,000,000	210,000,000	99.99	Manager of Ships
27	Precious Shipping (Singapore) Pte. Limited	SGD	20,000,000	15,000,000	100	Holding company/ Chartering
28	Precious Comforts Pte. Ltd.	SGD	150,000	150,000	100*	Shipowner
29	Precious Sparks Pte. Ltd.	SGD	150,000	150,000	100*	Shipowner
30	Precious Visions Pte. Ltd.	SGD	280,000	280,000	100*	Shipowner

Sr No.	Name of Subsidiaries and Associated Companies	Currency	Registered Capital	Issued and paid-up Share Capital	Percentage of Shareholding	Category of business
31	Precious Bridges Pte. Ltd.	SGD	150,000	150,000	100*	Shipowner
32	Precious Forests Pte. Ltd.	SGD	150,000	150,000	100*	Shipowner
33	Precious Fragrance Pte. Ltd.	SGD	150,000	150,000	100*	Shipowner
34	Precious Thoughts Pte. Ltd.	SGD	150,000	150,000	100*	Shipowner
35	Precious Tides Pte. Ltd.	SGD	150,000	150,000	100*	Shipowner
36	Precious Skies Pte. Ltd.	SGD	150,000	150,000	100*	Shipowner
37	Precious Glories Pte. Ltd.	SGD	150,000	150,000	100*	Shipowner
38	Precious Wisdom Pte. Ltd.	SGD	150,000	150,000	100*	Shipowner
39	Precious Grace Pte. Ltd.	SGD	150,000	150,000	100*	Shipowner
40	Precious Breeze Pte. Ltd.	SGD	150,000	150,000	100*	Shipowner
41	Precious Topaz Pte. Ltd.	SGD	1	1	100*	Shipowner
42	Precious Waves Pte. Ltd.	SGD	150,000	150,000	100*	Shipowner
43	Precious Jade Pte. Ltd.	SGD	1	1	100*	Shipowner
44	Precious Tulips Pte. Ltd.	SGD	1	1	100*	Shipowner
45	Precious Violets Pte. Ltd.	SGD	1	1	100*	Shipowner
46	Precious Daisies Pte. Ltd.	SGD	180,000	180,000	100*	Shipowner
47	Precious Marigold Pte. Ltd.	SGD	180,000	180,000	100*	Shipowner
48	Precious Hibiscus Pte. Ltd.	SGD	50,000	50,000	100*	Shipowner
49	Precious Roses Pte. Ltd.	SGD	50,000	50,000	100*	Shipowner
50	Precious Lilac Pte. Ltd.	SGD	1	1	100*	Shipowner
51	Precious Lotus Pte. Ltd.	SGD	1	1	100*	Shipowner
52	Unity Ventures Pte. Ltd.	USD	1	1	100*	Holding company/ Investment
53	Associated Bulk Carriers Pte. Ltd.	USD	2	2	100	Holding company
54	ABC ONE Pte. Ltd.	USD	150,000	150,000	100*	Shipowner
55	ABC TWO Pte. Ltd.	USD	150,000	150,000	100*	Shipowner
56	ABC THREE Pte. Ltd.	USD	150,000	150,000	100*	Shipowner
57	ABC FOUR Pte. Ltd.	USD	150,000	150,000	100*	Shipowner
58	Precious Shipping (Panama) S.A.	USD	10,000	10,000	99.99	Shipowner/ Chartering
59	Precious Shipping (UK) Limited	USD	10,000	10,000	100	Chartering
60	International Seaports (Haldia) Private Limited	Indian Rs	445,000,000	440,580,200	22.40*	Berth Operator

*(represents indirect ownership of shares)

Note: Subsidiaries in the ship ownership business, which is the core business.

REGISTERED OFFICE ADDRESS OF SUBSIDIARY AND ASSOCIATED COMPANIES ARE AS FOLLOWS:

SUBSIDIARY 1-24	Registered Office is at 8/27-28, 7 th Floor, Cathay House, North Sathorn Road, Silom, Bangrak, Bangkok 10500 Thailand. Tel : 66-2 696-8800 Fax : 66-2 236-7654, 633-8460
SUBSIDIARY 25	Registered Office is at 8/27-28, 7 th Floor, Pibulldham Building, North Sathorn Road, Silom, Bangrak, Bangkok 10500 Thailand. Tel : 66-2 696-8800 Fax : 66-2 236-7654, 633-8460
SUBSIDIARY 26	Registered Office is at 8/35 Cathay House, North Sathorn Road, Silom, Bangrak, Bangkok 10500 Thailand. Tel : 66-2 696-8900 Fax : 66-2 237-7842, 633-8468
SUBSIDIARY 27-57	Registered Office is 20 McCallum Street, #19-01 Tokio Marine Centre, 069046 Republic of Singapore.
SUBSIDIARY 58	Registered Office is at c/o ADR Building, 13 th Floor, Samuel Lewis Avenue, Republic of Panama.
SUBSIDIARY 59	Registered Office is at 130 Shaftesbury Avenue, 2 nd Floor London W1D 5EU United Kingdom.
ASSOCIATE 60	Registered Office is at 105, Park Street, Flat No. 27 Kohinoor Building, 5 th Floor, Kolkata - 700 016, West Bengal, India.

MAJOR SHAREHOLDERS AND DIVIDEND POLICY STATEMENT

Major Shareholders per share register as on 31st December 2024 and 2023

No.	Name	As on		As on	
		31 st December 2024		31 st December 2023	
		No. of shares	Percentage	No. of shares	Percentage
	Globex Corporation Limited	442,857,535	28.40%	442,857,535	28.40%
	Graintrade Limited (922,500 shares held under Thai NVDR Limited)	131,008,766	8.40%	131,008,766	8.40%
	NKS Investment Ltd. (shares held under Bank Julius Baer & Co. Ltd, Singapore)	108,054,537	6.93%	108,054,537	6.93%
	Unistretch Limited	11,465,009	0.74%	11,465,009	0.74%
	Eastern Energy Pte Ltd.	555,000	0.04%	555,000	0.04%
	Ms. Sameera Shah (300,000 shares held under Thai NVDR Limited)	360,000	0.02%	360,000	0.02%
1	Total shares owned by and under control of the Shah Family * / **	694,300,847	44.53%	694,300,847	44.53%
2	Thai NVDR Limited	130,834,810	8.39%	144,982,905	9.30%
3	Mr. Khalid Moinuddin Hashim (shares held under Bank Julius Baer & Co. Ltd, Singapore)	121,526,275	7.79%	121,526,275	7.79%
4	Krungsri Dividend Stock LTF-D	25,406,900	1.63%	33,356,500	2.14%
5	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	24,853,393	1.59%	15,677,335	1.00%
6	Mr. Supote Supthavichaikul	17,500,000	1.12%	10,600,000	0.68%
7	BANQUE PICTET & CIE SA	14,428,500	0.93%	14,452,100	0.93%
8	DBS BANK LTD. AC DBS NOMINEES-PB CLIENTS	12,902,900	0.83%	10,502,900	0.67%
9	Bualuang Infrastructure Retirement Fund	11,927,200	0.76%	8,217,500	0.53%
10	Krungsri Dividend Stock RMF	10,173,200	0.65%	11,935,500	0.76%
11	Other shareholders (apart from the Top Ten shareholders as mentioned above)	495,437,837	31.77%	493,740,000	31.66%
Grand total		1,559,291,862	100.00%	1,559,291,862	100.00%
		Total : 18,537 shareholders		Total : 19,974 shareholders	

* The Shah Family comprises of (i) Ms. Nishita Shah, (ii) Ms. Sameera Shah, (iii) Mr. Ishaan Shah, and (iv) Mrs. Anjeli Kirit Shah.

** No shareholder agreement between the Shareholders Nos. 1 and 3

Dividend Policy Statement

“The Company’s dividend policy approved by the Annual General Meeting of Shareholders No. 1/2004 dated 30th April 2004 is to pay out not less than 25% of Net Profits after taxes and appropriation to any reserves required by law. Upon approval by the Board of Directors, the annual dividend payout is to be presented to the shareholders’ annual general meeting for approval. As regards the interim dividend, however, the Board is authorised to pay it and then report the payout at the next shareholders’ general meeting.”

RISK MANAGEMENT AND SIGNIFICANT RISK FACTORS

1. RISK MANAGEMENT POLICY AND FRAMEWORK

The Company recognizes the importance of Risk Assessment as a tool to preemptively indicate signals of events that if unchecked, could result in a loss to the Company. The Company's risk management policy, governed by its Vision and Values, covers all potential risks that could impact on its business. The Company strives to proactively manage all internal and external risks that could disrupt its business. The Company has implemented internal control systems and a risk management framework in accordance with the recommendations of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) to ensure that operations are conducted efficiently and within risk parameters acceptable to the Company. The Board of Directors has set the policy and framework of Risk Management by considering the probability and the likely impact of a range of risks that can adversely impact the business. They also particularize a list of preventive and mitigation measures and establish reporting structures and monitoring procedures to pick up on any early warning signs of potentially adverse events.

RISK GOVERNANCE STRUCTURE

The Company emphasizes the importance and value of risk management and has formed the following risk governance structure to proactively monitor potential risks across the organization and to ensure that risk assessments are performed regularly.

- The Board of Directors is responsible for overseeing risk within the Company.
- The Executive Board of Directors is responsible for preparing and reviewing policy and guidelines for risk management and monitoring the management to ensure the efficiency of the Company's risk management system.
- The Sustainability and Risk Management Committee ensures that business risks are identified as well as monitored on an on-going basis and that effective mitigation measures are in place.
- The Audit & Corporate Governance Committee is responsible for reviewing the risk management system of the Company and recommending improvements on a regular basis.
- All executives and staff in each department are responsible for assessing and monitoring the respective risks at the operational level. Hence, the organization has formed a risk management Working Group, consisting of representatives from all business units within the Company. This group is accountable for consolidating risks across all business units and performing a comprehensive risk assessment of the Company.
- The head of the risk management working group is the Director (Finance), who is responsible for monitoring operational risks and working with other executives to develop and implement strategies for managing those risks.
- The results of risk assessment for various activities are reported periodically to the Executive Board of Directors, the Sustainability and Risk Management Committee, and the Board of Directors for their consideration.

RISK MANAGEMENT PROCESS

The Company has implemented an **Enterprise Risk Management (ERM)** system for its operations, structured into four key steps: identifying business risks and opportunities, assessing risks, establishing control measures and solutions, and providing quarterly risk reports to the Sustainability and Risk Management Committee.

A risk map is also developed using a 5x5 risk matrix, which evaluates risks based on their likelihood and impact severity. The risks are then classified and prioritized into four levels: low, medium, high, and extreme.

2. SIGNIFICANT RISK FACTORS

Operating in a global and competitive environment exposes the Company to a wide range of risks, including **market risks** related to demand and supply imbalances and broader economic conditions, **strategic risks** related to the overall direction and competitiveness of the company, **operating risks** related to the day-to-day operations of the business, **emerging risks** that have the potential to cause significant disruption in the future, **compliance risks** related to adherence to laws and regulations, **financial risks** related to the company's financial performance and stability, and **investor risks** related to the potential impact on shareholders and other stakeholders.

1. MARKET RISKS

IMPACT	MITIGATION AND RISK MANAGEMENT STRATEGIES
1.1 The risk of increased supply-side competition	
<ul style="list-style-type: none"> In addition to operating in a highly regulated environment, the Company competes with similar service providers from all over the world. It is possible that an oversupply of ships could hurt our profitability. 	<ul style="list-style-type: none"> These risk factors are beyond the control of the Company. Nevertheless, the Company believes that having a high-quality fleet is vital to meeting the needs of our clients and so the Company constantly looks for opportunities to strategically expand our fleet and make it more fuel efficient. To assess the supply and demand balance, the Company monitors and keeps track of key indicators affecting the shipping industry, such as global fleet size, orderbook for new vessels, and scrapping rates. The Company strives to implement the latest technological advancements and the industry's best practices to compete effectively.
1.2 The risk of increased supply-side competition	
<ul style="list-style-type: none"> Charter hire rates can be extremely volatile, leading to large potential variations in financial results and profitability. A significant proportion of the Company's fleet has earnings linked to the Baltic Handysize or Supramax market indices which results in higher earnings when markets are strong while also exposing the Company to lower earnings when markets are weak. 	<ul style="list-style-type: none"> These risk factors are influenced by broader market conditions and are not solely within the Company's control. However, in the Company's opinion, given the uncertainty and the extreme volatility in the market, where rates can shoot up or collapse very quickly, it is always prudent to "lock-in" future earnings at reasonable freight rates whenever possible, as a cushion against a sudden and, more particularly, sustained collapse of the freight rates in the spot market. This strategy was vindicated with the Company's earnings outperforming the market in the volatile market circumstances in the past. The Company implements various hedging strategies, such as engaging in Freight derivatives trading, to mitigate the impact of fluctuating charter rates and macroeconomic factors. The degree of charter hire fluctuation varies by ship size and type, with large, ungeared, ships having the most volatile earnings. As most of our ships are in the small, geared, sector (Handy, Supramax and Ultramax) of the industry, the Company is partially immune to such volatility. The Company believes that with all its ships being in the geared sector of the industry, there is a fundamental advantage of diversified demand and hence there is some downside protection against the cyclical nature of the business.

2. STRATEGY RISKS

IMPACT	MITIGATION AND RISK MANAGEMENT STRATEGIES
2.1 Capacity replacement risk	
2.2 The risk from an ageing fleet	
<ul style="list-style-type: none"> • The Company's assets, i.e., ships, have a finite life and as and when the ships reach a certain age, they need to be sold or recycled. This leads to a decrease in capacity and if the Company wants to maintain capacity in terms of fleet size, the Company must continuously follow a program of replacement of its older recycled or sold vessels. • Our fleet's advancing age could potentially lead to higher operating expenses in the future, posing a significant risk to our operational performance, financial stability, and cash flow. • Our future growth will be contingent on various additional factors, including the identification of appropriate vessels for acquisition at favorable prices, the procurement of newbuilding slots from shipyards and/or shipping companies, the attainment of necessary financing, as well as the acquisition of other companies or investment in joint ventures, and the integration of any acquired businesses. It is possible that the Company may encounter a risk wherein it does not obtain a favorable return on its investments or fails to accomplish its strategic objectives. • Apart from a fall in the ship values, it may not be possible to charter out these ships at the expected rates which would lead to operating losses (including cash losses) for the Company. These losses or low rates achieved by the Company for a sustained period could lead to the inability of the Company to comply with financial covenants or worse meet payment obligations under its senior secured debt and debenture financing facilities. 	<ul style="list-style-type: none"> • The Company is committed to strategically developing its fleet while maintaining the age distribution and emission profile of its fleet. • Between the years 2012 and 2014, the Company signed several newbuilding contracts with three different Chinese shipyards for deliveries of cement carriers and dry bulk vessels. • In 2022, the Company purchased two young secondhand handysize bulk carriers as part of its strategy to have a younger and more fuel-efficient fleet.
2.3 Risks associated with shipbuilding contracts	
<ul style="list-style-type: none"> • Non-delivery or delayed delivery of vessels ordered under shipbuilding contracts as part of the Company's capacity expansion plans may lead to the Company failing to achieve its expansion targets and could result in operational losses. 	<ul style="list-style-type: none"> • The Company conducts a thorough review before signing a shipbuilding contract to identify and mitigate potential problems.

3. OPERATING RISKS

IMPACT	MITIGATION AND RISK MANAGEMENT STRATEGIES
3.1 Expansion fleet risk	
<ul style="list-style-type: none"> Our future growth will be contingent on various additional factors, including the identification of appropriate vessels for acquisition at favorable prices, the procurement of newbuilding slots from shipyards and/or shipping companies, the attainment of necessary financing, as well as the acquisition of other companies or investment in joint ventures, and the integration of any acquired businesses. It is possible that the Company may encounter a risk wherein it does not obtain a favorable return on its investments or fails to accomplish its strategic objectives. 	<ul style="list-style-type: none"> Perform thorough due diligence, when acquiring vessels or companies, to assess financial health, operational efficiency, and compliance with regulations. Verify the condition and maintenance history of existing vessels to avoid unforeseen operational issues. Monitoring and evaluating the return on investment for each vessel acquisition or project.
3.2 The risk that all losses will not be covered by insurance	
<ul style="list-style-type: none"> Although the Company has different insurance policies relating to the operations of the Company to mitigate the risks arising from the loss or damage to the assets of the Company, there is still a risk that the policy will not cover certain losses and/or third-party claims. 	<ul style="list-style-type: none"> The Company has established an internal training department dedicated to educating its staff members. This is because the Company firmly believes that allocating resources towards implementing strict safety protocols and maintenance procedures can minimize the probability of accidents and losses. This includes routine inspections, comprehensive crew training, and strict adherence to international safety regulations. Enhanced situational awareness and prevention of potential hazards using advanced technologies such as voyage monitoring systems, real-time weather data, route optimization, etc.
3.3 Commercial downtime	
<ul style="list-style-type: none"> Apart from a fall in the ship values, it may not be possible to charter out these ships at the expected rates which would lead to operating losses (including cash losses) for the Company. These losses or low rates achieved by the Company for a sustained period could lead to the inability of the Company to comply with financial covenants or worse meet payment obligations under its senior secured debt and debenture financing facilities. 	<ul style="list-style-type: none"> Conduct thorough market research to anticipate demand and pricing trends in the shipping industry. Explore financial instruments and risk management tools, such as hedging, to protect against adverse movements in charter rates.
3.4 The risk of economic slowdown	
3.5 The risk of high inflation	
<ul style="list-style-type: none"> Concerns about recession in major economies like the US and China could decrease global trade volume, impacting demand for shipping services. Higher inflation and rising interest rates may increase our borrowing costs and negatively affect our financial position. The rising costs of fuel, port fees, and labor are putting pressure on shipping companies' profit margins and affecting the cost-effectiveness of transporting goods. All these factors collectively could adversely affect our profitability. 	<ul style="list-style-type: none"> These external risk factors are beyond the direct control of the Company; however, the Company's governance structure makes the Company's operations run efficiently, minimizing the impact of these risks, and enabling the Company to adapt to changes and foster long-term growth. Diverse geographical markets to mitigate risks associated with specific economic or geopolitical events. Implementing cost-saving strategies such as streamlining routes, adopting fuel-efficient technologies, conducting cost-benefit analysis, and engaging in favorable contract negotiations to address the challenge of escalating expenses.

IMPACT	MITIGATION AND RISK MANAGEMENT STRATEGIES
3.6 The risk of fluctuations in the price of fuel	
<ul style="list-style-type: none"> The Company is not directly exposed to any risk of increased costs due to fluctuations in international oil prices. 	<ul style="list-style-type: none"> Whenever the fuel costs are on the Company's account (in case of a voyage charter), the increase/decrease in oil price is passed on to the Customers since the freight rates are quoted and charged after incorporating the increased/ decreased fuel cost which is booked at the time of securing the business. In case the business is done on a time charter, the fuel cost is directly on the customer's account.
3.7 Security risks	
<ul style="list-style-type: none"> The increased risk of piracy and other forms of violence can raise the cost of insurance and other security measures. 	<ul style="list-style-type: none"> Employ trained and experienced security personnel on board vessels transiting high-risk areas. Provide crew members with relevant training on security protocols and procedures to enhance preparedness and response capabilities. Assign citadels to all ships as a secure measure against piracy situations. Implement CCTVs surveillance to enhance situational awareness. Utilize satellite communication and tracking systems for real-time monitoring of vessel locations. Regularly review emergency response plans that include procedures for dealing with piracy incidents. Consider specialized insurance policies that cover piracy-related risks when sailing in high-risk areas.
3.8 The risk of accidents onboard vessels	
<ul style="list-style-type: none"> The shipping industry is constantly exposed to a wide range of risks. These risks include the possibility of marine disasters and environmental mishaps. Maritime accidents can occur due to numerous factors, including human errors, technical failures, natural conditions, shipping factors, route conditions, and cargo-related factors. This may result in substantial claims, as well as the potential loss of people and damage of cargo or property. 	<ul style="list-style-type: none"> The Company is vigilant on these issues and maintains internationally prescribed safety and technical standards apart from relevant insurance covers. Internal audits and risk assessments to proactively identify and address potential hazards. Comprehensive training to crew members on safety procedures, emergency response protocols, and safe operation of equipment. Continuous enhancement of ongoing training programs to keep crew members updated on the latest safety regulations and best practices.

IMPACT	MITIGATION AND RISK MANAGEMENT STRATEGIES
3.9 The risk associated with smuggling of drugs or other contraband onto our vessels	
<ul style="list-style-type: none"> The quantity of illicit narcotics being transported through commercial shipping is consistently on the rise, consequently amplifying the vulnerability of ships and ports. There exists a possibility of encountering such risks during our operations where our vessels may call in ports where smugglers attempt to hide drugs and other contraband on vessels, with or without the knowledge of crew members. This may lead to governmental claims against the Company and detention of its vessel. The adverse consequences of governmental or regulatory claims or restrictions could have a detrimental impact on the Company's reputation, business, financial condition, results of operations, and cash flows. 	<ul style="list-style-type: none"> As certain trading nations serve as significant markets for the shipping industry, it would not be prudent to wholly refrain from operating in these regions. The Company implements additional security measures including enhanced security watches, employment of armed guards, security patrol boats, sniffer dogs and divers when calling at ports with a high risk of drug trafficking. However, even with these rigorous security measures in place, shipping companies continue to be vulnerable to drug smugglers who utilize progressively advanced tactics to smuggle drugs on board secretly. Consequently, there remains a potential risk that smugglers could successfully evade all existing security measures.
3.10 The risk from government policies or related agencies	
<ul style="list-style-type: none"> Government policies can have a direct impact on shipping. Changing government policies can have a negative impact on the operations of the Company, including those relating to the taxation of shipping Income and freight, import and export duties, port taxes, trade policies, and protectionism. 	<ul style="list-style-type: none"> These risk factors are beyond the control of the Company. However, it takes necessary steps to ensure that its business operates in compliance with all relevant policies and in a cost-effective manner.
3.11 Governance risk	
<ul style="list-style-type: none"> The Company is also exposed to the risk that inadequate governance can adversely impact its operations and undermine investors' confidence. 	<ul style="list-style-type: none"> The Company is committed to maintaining a harmonious relationship with all its stakeholders (workforce, community, governments, etc.) and to addressing any concerns on a timely basis. The Company's business ethics and code of conduct policies are implemented to ensure that business is conducted via an ethical governance framework. The Company's corporate governance structures ensure utmost transparency in reporting operational and financial performance.
3.12 The risk of failure or lack of proper control over the Company's systems or work processes	
<ul style="list-style-type: none"> Non-compliance with the Company's own procedures (SOPs) and policies poses a huge risk to its operations. Failure of internal controls, SOPs and work processes exposes the Company to the risk of fraud, loss of assets and/or non-compliance with laws and regulations. 	<ul style="list-style-type: none"> To manage these risks, the Company strives to identify opportunities to improve its internal processes and keep its policies up to date in line with the best industry practices.

IMPACT	MITIGATION AND RISK MANAGEMENT STRATEGIES
3.13 The risk of skill shortages and loss of key personnel	
3.14 Human capital risk and employee well-being	
<ul style="list-style-type: none"> Human resource management is important for a company's success because it helps ensure that the Company has the right people with the right skills to meet its business objectives. Key risk factors include having a workforce that is underqualified and the loss of key personnel. This can happen if the company is not able to recruit and retain qualified individuals. Sourcing and retaining qualified personnel are crucial for the business operations of the Company. A lack of skilled employees or skill shortages may negatively impact the Company's business resilience and growth. In addition, losing key personnel can significantly impact the performance, productivity, and business prospects of the Company. 	<ul style="list-style-type: none"> The Company mitigates these risks through the adoption of a fair staffing policy and has thus far been quite successful in sourcing and retaining highly skilled and qualified personnel. In addition, the Company continues to take several initiatives including the establishment of a detailed Succession Plan to attract and retain talent, and therefore does not expect any future cause for concern in this regard, although international shipping continues to face a shortage of experienced crew, particularly in the officers' cadre, required on board the vessels.
3.15 Human rights risk	
<ul style="list-style-type: none"> The Company is subject to various labor, human rights, safety, and local laws or regulations. A breach of these laws or regulations can affect the operations of the Company. 	<ul style="list-style-type: none"> The Company's Business Ethics and Code of Conduct outlines its values regarding Human and Labor Rights which it has embedded into its corporate practices and systems. It states the guiding principles on respecting human rights of every individual as well as treat everyone fairly in every stage of recruitment starting from selection, remuneration payment, working hours and job holidays, assignment, performance appraisal, learning and development, career path planning and others without discrimination. The Company has created policies which serve as a guideline for employees, to ensure that these laws or regulations are not breached.
3.16 Supply chain-related risks	
<ul style="list-style-type: none"> Managing supply chain and logistics of stores and spare parts is crucial for ensuring our vessels' performance, compliance with technical requirements imposed by regulating authorities and minimizing operating costs. Any stockouts could have an adverse impact on the Company's operations. There exists a potential risk in the event that the Company's suppliers fail to provide stores and spares of satisfactory quality, or if crucial spare parts are not delivered promptly or are rendered unusable, consequently causing delays. Such circumstances can lead to a decline in revenue, escalated expenses, and may impact the relationships with customers. 	<ul style="list-style-type: none"> The technical department oversees maintenance planning and inventory management, ensuring the efficient sourcing and delivery of necessary parts onboard. This minimizes the risk of stockouts and contributes to smooth operations. Diversified supplier base. Robust quality control: stringent quality control procedures upon receiving spare parts from any supplier. Conduct Inspections, tests, and verification against agreed-upon specifications.

IMPACT	MITIGATION AND RISK MANAGEMENT STRATEGIES
3.17 Risk from pandemics	
<ul style="list-style-type: none"> • An economic shock, such as what happened soon after the world was afflicted by the COVID -19 pandemic, could affect the Company's ability to raise debt. Such restricted access to debt could cause a liquidity squeeze that could hinder operations. • In addition to the human toll, pandemics have the potential to disrupt worldwide supply chains and impact crew rotations, thereby raising the overall expenses associated with conducting business operations. 	<ul style="list-style-type: none"> • While these risk factors are beyond the direct control of individual companies, the Company has taken significant steps to mitigate their impact by implementing various measures company-wide. <ul style="list-style-type: none"> - Safety Protocols: To ensure the safety of its employees and visitors during a pandemic or any similar outbreak like COVID-19, the Company has put in place policies and procedures that encompass mask mandates, social distancing measures, and enhanced cleaning protocols. - Creating Awareness: The Company strives to create awareness about the importance of public health measures like vaccination and the adoption of good hygiene practices, among their employees and customers. • Business Continuity Plan: As part of its business continuity plan to ensure uninterrupted operations during pandemics, the Company has established infrastructure that enables employees to work from home, even if physical workplaces are closed due to lockdowns or health concerns. Moreover, the Company implements supplementary measures such as diversifying its supply chains and stockpiling essential supplies for onboard vessels to further enhance their preparedness.
3.18 Risks due to the growing scrutiny and evolving expectations of stakeholders, viz., investors, lenders, charterers, government, and other market participants regarding ESG practices	
<ul style="list-style-type: none"> • ESG concerns may lead lenders and institutional investors to completely exclude transportation or shipping companies from their investment portfolios. Such exclusion could have adverse effects on our access to capital markets and potentially increase our funding costs. • Additional operating and compliance costs may be imposed due to the heightened scrutiny on environmental, social, and governance (ESG) factors. 	<ul style="list-style-type: none"> • To ensure the successful execution of the action plan, an internal ESG working group has been established. Comprised of representatives from various departments, this group plays a crucial role in supporting the management by evaluating the Company's ESG practices and ensuring adherence to the action plan. • The Company adopts a proactive approach to effectively manage risks associated with the increasing scrutiny of ESG (Environmental, Social, and Governance) factors. This approach includes the following measures: <ul style="list-style-type: none"> - A robust ESG strategy: The Company aligns its operations and goals with recognized ESG frameworks to demonstrate its commitment and transparency. - Investment in green technologies: The Company strives to explore innovative technologies and energy efficiency improvements to minimize its environmental impact. - Prioritization of employee well-being: The Company implements fair labor practices, ensures safety standards, and invests in employee training and development to promote a healthy and supportive work environment. - Strengthening corporate governance: The Company continuously strives to enhance its financial reporting, decision-making processes, and anti-corruption measures to ensure responsible and ethical business practices. • Engagement with stakeholders: The Company actively communicates its ESG efforts and progress to investors, lenders, charterers, governments, and communities, fostering a collaborative approach towards sustainable development.

IMPACT	MITIGATION AND RISK MANAGEMENT STRATEGIES
3.19 Climate change risk	
<ul style="list-style-type: none"> • We recognize that climate change is the most pressing issue of our time, and we are determined to take stronger steps to manage climate-change risks. It is likely that governments and regulators around the world will enact more stringent regulations to control emissions in coming years, which may affect the operations of the Company. • The frequency of storms has increased 4 to 5X since the 1970's. Such extreme climate and weather events pose a serious threat to our crew and assets. • A comprehensive analysis of the risks and opportunities posed by climate change is provided in the "Task Force on Climate Related Financial Disclosures (TCFD) Report." 	<ul style="list-style-type: none"> • Climate change is a systemic challenge requiring collective action and beyond the direct control of individual companies. The Company has taken actions to mitigate its own environmental impact and adapt to changing conditions. • The Company's governance structure ensures that its operations are in line with best practices to minimize our environmental impact. • The Company's commitment to environmental protection has been formalized in its Environmental Policy, which is based on ISO standards along with established internal guidelines that outline its efforts to address environmental issues throughout its business activities. • The Company promotes the use of new technologies and innovation to help reduce its environmental impact. • Incorporating climate risk into its risk management approach to prepare for and minimize the impact of climate change. • The Board of Directors oversees the Company's response to climate change, including its strategy and action plan to minimize environmental impact. As part of its responsibilities, the Board ensures that climate factors are considered in financial planning, decision-making, and short and long-term strategies. • The senior management team oversees the overall approach to identifying and evaluating the risks and opportunities of climate change.

4. EMERGING RISKS

IMPACT	MITIGATION AND RISK MANAGEMENT STRATEGIES
4.1 The risk associated with disruptive regulatory changes	
<ul style="list-style-type: none"> • Since shipping is a highly regulated industry, regulatory and compliance costs to meet environmental targets are one of the biggest risks to the shipping industry in the next few years. Various national governments and international regulatory bodies have begun requesting that more stringent environmental regulations be applied to vessels. As a result, there is a risk that soon after the delivery of a newbuild vessel, new regulations may come into force that would render such newbuild vessel obsolete or uncompetitive. • Complying with these requirements may necessitate modifications to vessels, installation of expensive equipment or retrofits. This could potentially diminish the resale value or shorten the useful lifespan of our vessels. • Flawed regulations are rushed through and come into force without adequate review and consultation with the industry, leading to chaos. • Legislation comes into force far before government machinery is ready to implement the changes 	<ul style="list-style-type: none"> • Our Technical Management team and International Safety Management team work proactively to evaluate compliance risks and any potential regulatory risks pertaining to the shipping business. • The Company conducts a thorough analysis of the potential risks before acquiring any ships. This analysis takes into consideration the worst and base case scenarios, as well as the ongoing best practices in the industry. • Additionally, when required the Company seeks guidance from third-party experts. • We engage with all stakeholders and in particular, regulators, to amend flawed regulations. • We actively engage with regulators to facilitate rapid implementation of new legislations so as to minimize business disruption.

IMPACT	MITIGATION AND RISK MANAGEMENT STRATEGIES
4.2 The decarbonization challenge	
<ul style="list-style-type: none"> Global pollution is a major threat to the survival of our planet, and the shipping industry is a significant contributor to greenhouse gas emissions. The shipping industry is responsible for a significant portion of global emissions of pollutants such as carbon dioxide, which contribute to climate change. The Paris Agreement, which was adopted in 2015, aims to limit global warming to well below 2 degrees Celsius and to pursue efforts to limit warming to 1.5 degrees Celsius. It is imperative that the shipping industry takes action to reduce emissions to meet its decarbonization targets. However, a significant amount of uncertainty surrounds projected carbon reduction trajectories for companies committed to decarbonization because of the uncertainty over future propulsion and technology. The transition to more sustainable and zero-carbon fuels is crucial for the shipping industry to meet its decarbonization goals, but the production and availability of these fuels are still in their preliminary stages. Additionally, currently, there is no commercially viable green fuel that can substitute heavy fuel oil. Therefore, the extent and speed of decarbonization by the industry may have a significant impact on our business strategy and operations in the future. 	<ul style="list-style-type: none"> Specific emission reduction targets in line with IMO's goal to reduce overall greenhouse gas emissions by 50% from 2008 levels by 2050. The Company is a member of the Getting to Zero Coalition aiming to explore commercially viable zero-emission fuels. By investing in a variety of energy-saving devices, the Company is actively exploring and evaluating new emerging technologies through trials and studies. Examples include: <ul style="list-style-type: none"> Sensors: Enhance engine operational efficiency by installing sensors, enabling real-time correction of operational problems, and thus improving fuel efficiency. Energy Saving Devices: Install Energy Saving Devices such as Mewis Ducts, Pre shrouded vanes or even completely new propellers to enhance fuel efficiency. Fuel: Use additives and biofuels to reduce fuel emissions
4.3 Cybersecurity risk	
<ul style="list-style-type: none"> The Company is aware of emerging risks that may impact its business if not proactively managed. The Company also strives to identify and assess the impact of such risks. The shipping industry has become more susceptible to cyber-attacks due to increased automation and digitalization. The Company relies on information systems to transmit and store data which includes confidential and valuable information. Covid-19 accelerated the Company's effort to move towards further digitalization and technological advancement while transitioning to remote work. However, remote working by its employees has significantly increased the risk of cyber and phishing attacks. Thus, the Company is exposed to cyber security threats and unauthorized access to the Company's information technology systems. Failure of the IT system could disrupt its operations. In addition, a security breach could result in reputational damage, legal actions, or financial liability. 	<ul style="list-style-type: none"> The Company strives to implement consistent mitigation policies aiming to avoid any such IT hazards. The Company has taken the following measures to combat and mitigate cyber security risks: <ul style="list-style-type: none"> Promote employee awareness of technology use through training programs to ensure employees have knowledge and understanding of how to use technology effectively and to protect the business from cyber threats. An educational online platform with tests on employees' awareness and understanding of IT policy and cybersecurity is also organized every month. IT policy outlining preventive measures to protect and safeguard its information technology systems in business operations from possible cyber risks and threats. Next-generation firewall protection that restricts malicious internet traffic. Latest virus and malware protection programs to protect its data. Spam filtering and virus protection on all inbound and outbound emails. Using a reliable and secure email hosting provider that meets the standard and provides top notch security. A data backup policy to ensure data recoverability in the event of a system outage or a cyber-attack. The Company employs the services of a third-party firm which carries out a comprehensive vulnerability assessment and conducts penetration tests of its IT network to safeguard against cyber threats.

IMPACT	MITIGATION AND RISK MANAGEMENT STRATEGIES
4.4 The risk from geopolitics and political instability	
4.5 The increasing trend of protectionism	
<ul style="list-style-type: none"> Shipping is exposed to geopolitics, and geopolitical events may adversely impact international maritime trade and vessel movements. Changes in the economic and political environment of major trading nations may have a significant impact on demand for dry bulk cargoes. Trade in regions that are engulfed in conflict can have a significant adverse impact on the shipping industry. These conflicts can result in increased risks for crew members, as ships may be targeted or detained in areas of conflict. Furthermore, the increased risk of war or other hostilities can also lead to higher fuel costs and other expenses, which can result in higher operating costs for shipping companies. A prolonged conflict might have further repercussions, including an impact on demand for various commodities. A more stringent sanctions regime against certain countries can make compliance challenging, and violations can result in severe penalties and consequences for ship owners and counterparties. This may lead to heightened volatility, constraining corporate expenditures and consequently impacting the demand for shipping. 	<ul style="list-style-type: none"> The Company has no control over these risk factors; however, the Company's ships operate in international waters and are spread out globally, reducing the risk of geographical concentration in their market and customer base. This means that any major negative changes in a specific region, such as war or political action, should not significantly affect the Company's revenues. However, changes in the economic or political environment of major trading nations may still impact on the Company's revenues. We avoid trading in conflict areas to minimize risk for our people and vessels Compliance with these restrictions is diligently maintained by the Company's operations and legal team while ensuring that the Company's ships proactively avoid high-risk areas. However, the Company is still subject to a certain degree of risk as its ships may have to sail through high-risk areas to adhere to the agreed-upon routes or reach the charter destination ports as outlined in the charter contract terms that have already been entered into. Collaborating and actively participating in regular discussions with insurance clubs and industry partners to proactively identify and mitigate potential risks.

5. COMPLIANCE RISKS

IMPACT	MITIGATION AND RISK MANAGEMENT STRATEGIES
5.1 Non- Compliance with laws and regulations	
<ul style="list-style-type: none"> Shipping, being a highly regulated Industry, is subject to complex laws and regulations, including environmental regulations, international safety regulations and vessel requirements imposed by classification societies. Non-compliance of international regulations risks detention of vessels, leading to loss of time, which would lead to loss of revenues or claims from charterers. Non-compliance with any environmental laws and regulations or emission standards may result in penalties causing financial loss and damage to the Company's reputation. Non-compliance or violations of laws and regulations and the failure to comply with any one or more of such laws and/or regulations could expose the Company to penalties, legal action against the Company and its senior management, downgrading of vessel ratings, vessel detention or other regulatory restrictions. 	<ul style="list-style-type: none"> The Company remains vigilant on this issue and has taken adequate steps to employ qualified staff and has adopted adequate and effective systems to ensure full compliance with all laws and regulations as may be updated from time to time.

IMPACT	MITIGATION AND RISK MANAGEMENT STRATEGIES
5.2 Escalating compliance costs resulting from the heightened expectations of market participants concerning ESG practices	
<ul style="list-style-type: none"> Vessels may face additional regulatory requirements and/or penalties if it fails to meet the required EEXI targets, and this may result in some of the Company's vessels getting poor environmental ratings and consequently impact its ability to charter these affected vessels at competitive rates. The hull and machinery of every commercial vessel must be classed by a classification society authorized by its country of registry. 	<ul style="list-style-type: none"> ESG principles into core business operations, decision-making, and risk management. Standardized emission and fuel consumption data collection, reporting, and disclosure processes of ESG-related data to enhance efficiency and minimize expenses. The company strives to invest in energy efficient technologies to improve the efficiency of its existing fleet.
5.3 Non-Compliance with classification society's standards and regimes	
<ul style="list-style-type: none"> The classification society certifies, by periodical surveys, that a vessel is maintained as per the required standards and that the vessel complies with the applicable rules and regulations. Based on satisfactory surveys, the classification society issues trading certificates which permit the vessel to operate worldwide. A vessel must undergo annual surveys, drydocking and special surveys. The machinery would be surveyed periodically over a five-year period. Every vessel is also required to be drydocked every 30 to 36 months for inspection of the underwater parts of the vessel. If any vessel does not maintain its class and/or fails any annual survey, drydocking or special survey, the vessel will become uninsurable and unemployable in international waters. Any such failure to comply could have a material adverse impact on the Company's financial condition and results of operations. 	<ul style="list-style-type: none"> A proactive compliance culture that includes regular training, clear communication of compliance expectations, and robust internal reporting. Our technical team conducts internal audits and gap analyses to proactively identify and evaluate potential non-compliance risks.
5.4 Non-Compliance with charter parties	
<ul style="list-style-type: none"> Regulations such as CII (Carbon Intensity Indicators), EEXI (Energy Efficiency on Existing Ships Index), EU ETS (European Union Emission Trading Scheme) and FuelEU Maritime have made compliance with charterparties more complex in the future, as shipowners and charterers are required to embrace new clauses to meet their environmental targets. A failure to comply with charter parties may result in financial claims, reputational damages, and can negatively impact client relationships. 	<ul style="list-style-type: none"> Clearly defined, specific and measurable expectations. Maintain regular communication with the charterers regarding ESG performance and potential challenges. Update charter party clauses and operational practices accordingly to reflect relevant changes.
5.5 Personal Data Protection and Privacy Risk	
<ul style="list-style-type: none"> The Company is exposed to the risks associated with leak or misuse of personal data of its relevant individual stakeholders (employees, shareholders, clients, business partners, suppliers, and visitors etc.). The Company recognizes the importance of personal data protection and considers such data as a critical and invaluable asset. It also believes that data privacy of its individual stakeholders, involved in any area of the Company's business operations, is important and should be treated with utmost care. 	<ul style="list-style-type: none"> The Company has already formalized its commitment to ensure personal data protection and privacy through its "Personal Data Protection Policy". The purpose of this Policy is to provide the appropriate framework for handling Personal Data and to ensure that there are sufficient security measures in place to protect and secure Personal Data which the Company is collecting, using, and disclosing in accordance with the PDPA and any related regulations thereof. The Company has also appointed a Data Protection Officer primarily to oversee and ensure that the Company's collecting, processing, or disclosing personal data of its individual stakeholders is following the Law and/or other applicable laws and regulations.

6. FINANCIAL RISKS

IMPACT	MITIGATION AND RISK MANAGEMENT STRATEGIES
<p>6.1 Counterparty risk</p> <ul style="list-style-type: none"> The risk associated with the ability of each counterparty to fulfill its obligations under these contracts is contingent upon various factors that are beyond our control, such as prevailing economic conditions and the financial health of the counterparty. Failure on the part of our counterparties to meet their obligations could result in significant losses and legal disputes. Such disputes could have a material adverse effect on various aspects of our business, including our financial condition, operational performance, and cash flows. 	<ul style="list-style-type: none"> Due diligence of counterparties to thoroughly assess the financial health, credit worthiness, and reputation of potential counterparties before entering into agreements. Avoiding dependence on single counterparties. Continuously monitor counterparties' financial health and market conditions to identify and address potential issues early.
<p>6.2 Foreign exchange risk</p> <ul style="list-style-type: none"> Almost the entire Revenues and Expenses of the Company are denominated in US Dollars. Further, almost all the Fixed Assets of the Company, viz., ships, are US Dollar based assets since they are readily saleable in US Dollars on the International market. The Company's functional currency is determined to be US Dollars. Therefore, the Company is exposed to the risk of realizing a Foreign Exchange loss concerning its Liabilities in any currency other than US Dollars. The US Dollar equivalent figure of such "non-USD" denominated debt may increase or decrease with a fluctuation in the respective exchange rate. On 18 October 2024, the Company issued sustainability-linked bonds ("SLBs"), guaranteed by the Credit Guarantee and Investment Facility (CGIF), a trust fund of the Asian Development Bank (ADB). The issuance consists of two tranches, each valued at THB 680 million, with maturities of five and ten years, respectively, amounting to a total of THB 1.36 billion. This issuance exposes the Company to foreign exchange risk due to potential currency fluctuations between the Thai Baht and the US Dollar. A depreciation of the US Dollar against the Thai Baht would increase the effective cost of bond servicing, including interest payments and principal repayment, as more US Dollars would be required to settle Thai Baht-denominated obligations. 	<ul style="list-style-type: none"> The Company has attempted to maintain the least possible exposure in other currencies and accordingly always maintained US Dollar denominated credit facilities and loans. In cases where financing is in non-USD denominated debt, the Company enters cross-currency swaps or option contracts whereby the principal and/or interest of the debt are converted into US Dollars, thereby hedging the Foreign Exchange risk. As of 31 December 2024, the Company has not entered into any currency hedging contracts for SLBs issuance due to unfavorable market conditions and associated costs. However, the Company remains open to considering hedging strategies, such as cross-currency swaps, forward contracts, and other financial instruments, should market conditions improve or hedging costs become more economically feasible. The Company continuously monitors foreign exchange markets and assesses currency risk exposure. It is prepared to implement hedging measures when deemed beneficial and aligned with its financial strategy to ensure seamless servicing of bond-related payments despite exchange rate fluctuations.

IMPACT	MITIGATION AND RISK MANAGEMENT STRATEGIES
6.3 Interest rate risk in debt facilities	
<ul style="list-style-type: none"> Several of the Company's debt facilities carry interest at floating rates and as such, the Company is exposed to fluctuations in its interest rates. Therefore, the Company's financial conditions and financial arrangements could be adversely affected to the extent of any unhedged exposure to interest rate movements. 	<ul style="list-style-type: none"> The Company has in the past entered, and in the future may enter, interest rate swaps to convert the interest portion of its debt from a floating to a fixed rate, so as to hedge the risk of adverse interest rate movements.
6.4 Funding risk	
<ul style="list-style-type: none"> The Company's assets, i.e., ships, have a finite life and as and when the ships reach a certain age, they need to be sold for onward trading or recycling. If the Company wants to maintain capacity in terms of fleet size, the Company must continuously follow a program to replace its recycled or sold vessels. Purchase of ships requires considerable funding, which may be through equity, debt, or both. If the Company is not able to raise the necessary funds required for the purchases of ships to maintain capacity, the Company's capacity will continuously deplete, and as such, the Company is exposed to a funding risk. 	<ul style="list-style-type: none"> Embracing ESG principles to tap into a wider range of capital sources at a lower cost. The Company has previously and will continue to consider green or sustainability-linked loans, as well as advocate for the integration of green principles into its loan borrowing process. Proactively identify potential risks that could impact funding, such as market downturns, competitor actions, or regulatory changes.
6.5 Decline in asset values	
6.6 Noncompliance with the terms of our debt agreement	
<ul style="list-style-type: none"> The Company is subject to specific operational and financial restrictions outlined in its outstanding debt agreements, which also mandate the maintenance of various financial ratios. Failure to comply with the terms of our debt agreements may have detrimental consequences for our business. It could limit our capacity to refinance our debt and distribute dividends. The market values of ships have generally experienced high volatility. Since declining ship values could breach the loan-to-value covenants in the Company's credit facilities and loans, resulting in demand by the lenders for prepayment of the outstanding loans and/or providing additional security, this could adversely affect the Company's liquidity and operational flexibility, thereby impacting its operating results. 	<ul style="list-style-type: none"> Robust financial forecasting and budgeting practices to accurately predict cash flow and ensure timely debt servicing. Consider alternative funding choices, debt restructuring possibilities, and potential cost reduction strategies whenever necessary and advantageous for the benefit of our stakeholders. Ensure consistent and transparent communication with our lenders by frequently providing them with financial updates, reporting on our progress towards achieving milestones, and proactively addressing any potential challenges or concerns. Use derivatives or other risk management tools, such as hedging contracts, to minimize the impact of market fluctuations and to hedge against potential losses due to market downturns.

IMPACT	MITIGATION AND RISK MANAGEMENT STRATEGIES
<ul style="list-style-type: none"> • Further, the Company's current loan agreements include various conditions and covenants that may require the Company to obtain the lender's consent prior to carrying out certain activities and entering into certain transactions, including incurring additional debt, changing the Capital structure, increasing or modifying capital expenditure plans, undertaking any expansion, providing additional guarantees, merging with or acquiring other companies, whether or not there is any failure by the Company to comply with the other terms of such agreements. Any failure to comply with the stipulated loan covenants may result in the Company's lenders calling upon the Company to repay the relevant facility or a part thereof on demand. If the Company breaches certain covenants, or an event of default occurs, the Company's lenders may also take possession of the relevant ship(s) which has been provided as security for such loans. • The loan agreements may also contain cross-default provisions whereby a default under one agreement could result in a default and acceleration of the Company's repayment obligations under other agreements, including those of its subsidiaries. If a cross-default were to occur, the Company may not be able to pay its debts or borrow sufficient funds to refinance them. Even if new financing were available, it may not be available on acceptable terms. 	<ul style="list-style-type: none"> • Using strategies that are best aligned with the Company's financials, long-term goals, and relationships with lenders, when necessary, reducing the remaining loan amount through lump sum payments or accelerated regular payments through cash sweeps.
6.7 Increase in leverage	
<ul style="list-style-type: none"> • The Company's primary assets, i.e., its fleet of ships, have a finite operational life. As vessels reach a certain age, they must be sold for further trading or scrapped for recycling, resulting in a reduction in fleet capacity. To maintain or expand its fleet, the Company must follow a systematic program of replacing older vessels or acquiring additional ships. The purchase of new ships is capital-intensive and typically requires substantial funding, which may come from equity, debt, or a combination of both. Such acquisitions can lead to an increase in leverage during certain periods and may also impact the Company's ability to service debt. 	<ul style="list-style-type: none"> • The Company is very conservative with respect to managing its balance sheet and finances. The Company has a policy to ensure that its net debt-to-equity ratio does not exceed 2:1. This ratio is also a financial covenant under the Company's credit facility agreements. As of 31 December 2024, the Company's debt-to-equity ratio stands at [0.37], demonstrating prudent financial management and ample capacity to absorb potential increases in leverage. Additionally, the Company closely monitors its cash flow and liquidity to ensure that it has the ability to service its debt obligations. This includes a disciplined approach to financial planning, managing working capital efficiently, and ensuring that any new financing structures are sustainable and within the Company's capacity to repay. The Company also conducts periodic stress testing of its financials under various market conditions to ensure debt servicing remains manageable, even during adverse market conditions.

7. INVESTOR RISKS

IMPACT	MITIGATION AND RISK MANAGEMENT STRATEGIES
7.1 The common shares of the Company may experience significant price fluctuations	
<ul style="list-style-type: none"> • An investor in the Company's shares or securities is also exposed to additional risks. The value of the stocks listed on the Stock Exchange of Thailand (SET) may fluctuate due to factors affecting the Thai stock market without any connection to the performance of the Company. Such factors affecting the Thai stock market could include political instability or political disturbances, the slowdown in the growth of the Thai economy, US Federal Reserve action, Trade Wars, withdrawal of economic stimulus by governments of key export markets, general slowdown in regional, Asian or other developed economies and so on. • The investor may suffer a loss on investment in the event one or more Thai laws pertaining to the investment are amended adversely. An example of such an adverse change in law would be the imposition of taxes or other duties on the investment or sale of investment in equity shares. • If the Thai Government introduces exchange controls on investment proceeds or on the repatriation of investment proceeds, the Investor's cost of the investment may increase and/or the investor may not be able to repatriate the sale proceeds of the investment. • Further, the investor is exposed to additional risks like lower standards of Corporate Governance of the companies listed on the SET, insufficient legal checks and balances on company management, high proportion of concentrated shareholding with one individual or one group leading to unduly high control exercised by the individual or group, unavailability of qualified and experienced persons to act as directors, etc. 	<ul style="list-style-type: none"> • Strong governance practices, independent board oversight, and effective internal controls. • Proactive Risk Management to Identify and assess potential risks. • Communicating financial performance, future plans and potential risks to investors. • Build strong relationships with investors through regular engagement and analyst meetings to understand investor concerns and expectations. • Emphasize long-term value creation strategies over short-term gains. • Monitor market trends, competitor activity, and economic indicators to anticipate potential triggers for volatility and proactively manage expectations. • Implementing a stable dividend policy, which can provide regular income to investors and encourage long-term holding.

Business Sustainability Development



Sustainable Development

Sustainable Development Policy

To formalize its commitment to sustainable development, the Company has established a separate Sustainable Development Policy. This policy addresses environmental and social issues and adheres to principles of good corporate governance, business ethics, and compliance with laws and regulations. With this policy, the Company aims to implement practices that will promote economic development, environmental sustainability and social responsibility.

Our Value Chain ^[GRI 102-9]

In the dry bulk shipping industry, a maritime operational value chain is considered to be sustainable if the activities involving the transportation of dry bulk goods such as grains, minerals, and other raw materials are carried out in an environmentally and socially responsible manner. This includes the use of efficient ships, routes, and cargo loading and unloading practices. It also involves efforts to minimize emissions and environmental impact. By implementing sustainable practices across the entire value chain, the Company aims to reduce its costs and increase efficiency while improving its environmental and social performance.

The maritime shipping industry is crucial for international trade because it is the most efficient and cost-effective way to move large volumes of goods over long distances. According to estimates, around 90% of global trade is carried by sea. This includes everything from raw materials, such as oil and grains, to manufactured products, like cars and electronics. The ability of ships to reach and deliver cargoes to remote corners of the world make them indispensable for the global economy.

1. **Loading and cargo handling operations in port:** This involves loading the cargo, such as ores or grain, onto a ship, as well as ensuring that the cargo is properly secured and stored on the ship for transportation. The following practices are implemented to improve the loading process:
 - Using efficient and swift cargo handling equipment.
 - The loading and discharging sequences are discussed with the shore team at the port, and due consideration is given to optimise the turnaround time, which can help to minimize delays and to ensure smooth cargo management.
 - There is a “ship-shore safety checklist” which is followed as part of our Standard of Procedures (SOPs) to ensure all points are taken into consideration.
2. Operating a dry bulk shipping vessel as a ship owner requires a high degree of expertise and experience in managing ships and handling cargo, as well as a thorough understanding of the logistics and regulations involved in international shipping. The following divisions are typically involved in vessel operations:
 - **Technical Management:** The technical team manages the fleet of vessels, including scheduling maintenance and repairs, and monitoring the vessels’ performance and regulatory compliance.
 - **Crew Management:** The fleet personnel team manages all crew and is responsible for recruiting, training, and managing the performance of the crew members.
 - **Insurance:** The Company ensures that its vessels are properly insured against various risks such as accidents, piracy, and natural disasters.
 - **Compliance:** The Company ensures that its vessels comply with international regulations for safety, environmental protection, and other standards. The Company analyses each violation in detail to identify the root cause and initiate appropriate corrective and preventive actions. The results are then conveyed to all senior employees as case studies to avoid recurrence.
3. The process of procuring **supplies and replacement parts** for our vessels involves identifying the need, selecting reputable and reliable suppliers, inviting quotations, inspecting, and storing the items. Therefore, it is essential to establish open and clear communication, meet agreed-upon deadlines and payment

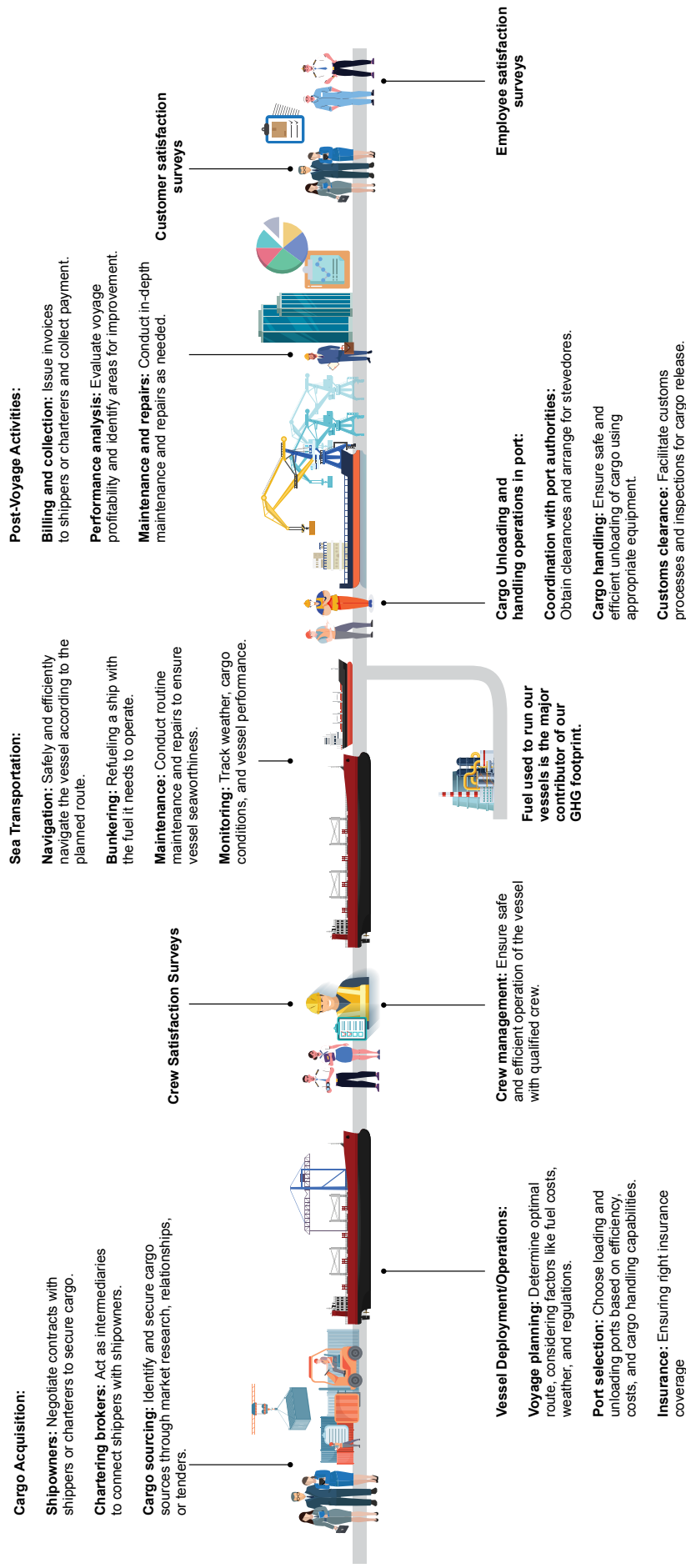
terms, treat suppliers fairly, and build long-term relationships with suppliers. The Company ensures that supplier terms and conditions are based on industry norms and practices. The Company established a code of conduct policy for its suppliers to emphasize its dedication to collaborating with them toward a sustainable future. This helps the Company encourage its suppliers to adopt good practices for reducing environmental impact and promoting social responsibility.

4. **Discharging and cargo handling operations in port:** Discharging involves unloading and delivering the cargo in the same condition in which it was loaded. Prior to arrival, the master usually plans a sequence for discharging cargoes. A discharge plan helps to show the distribution of cargoes within the ship and allow safe discharge of cargoes. After the cargo has been discharged, the ship will be repositioned to another port for its next voyage, or sail to a shipyard for maintenance and repairs.
5. **Commercial and ship chartering** involves overseeing the commercial side of the business, which encompasses negotiating charter rates, managing the voyage schedule of the ship, and determining the best location for the employment of vessels i.e., the positioning of vessels.
 - **Negotiation of charter rates:** The commercial team is responsible for negotiating charter rates with charterers, which is the fee charged for using a ship for a specific voyage or period of time.
 - **Chartering:** The commercial team is responsible for managing and chartering the Company's vessels to charterers or customers. This process involves negotiating charter rates, voyage itineraries, and other terms and conditions. They usually work with independent brokers or agents to connect with potential charter parties.
 - **Voyage planning:** The post fixture team is responsible for planning the voyage itineraries for all vessels, taking into account factors such as weather conditions, sea lanes, and port availability.
6. The online **customer satisfaction** survey is an effective way for the Company to gather valuable feedback from customers about their experiences and perceptions of the business. This information can be used to identify areas for improvement and make informed decisions to better meet customers' needs and expectations. Furthermore, conducting regular customer surveys helps to keep the Company informed of changes in customer attitudes and preferences.

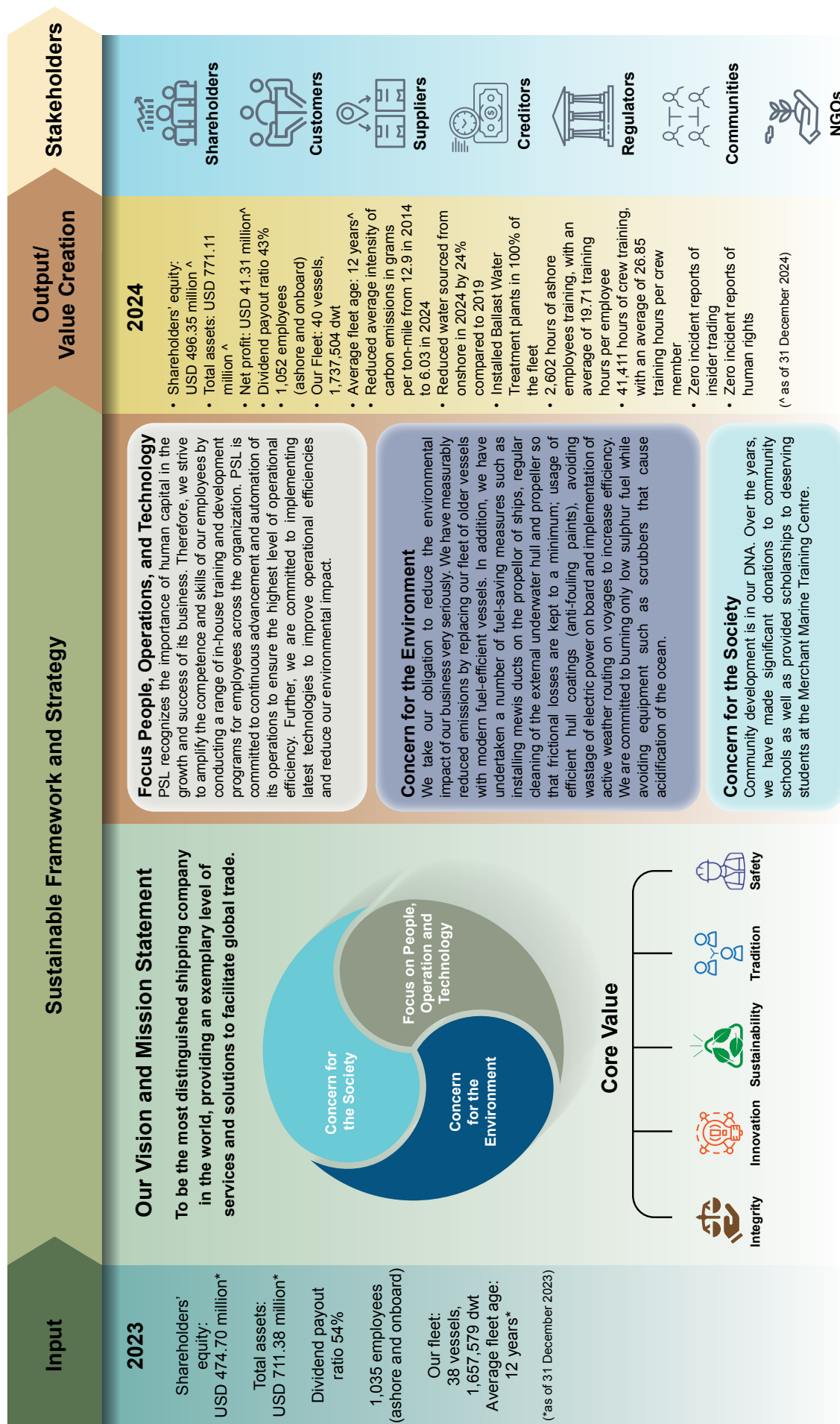
The Company's commitment to the environment led to the early induction of 'ECO' vessels. Similarly, it is expected that as soon as commercially viable options for these next-generation zero-emission 'green' vessels become available, they will also form part of our fleet.

Building Relationships Across the Value Chain

This illustrates our value chain and demonstrates how we engage with our key stakeholders to generate value.



Sustainable Value Chain [GRI 102-9]



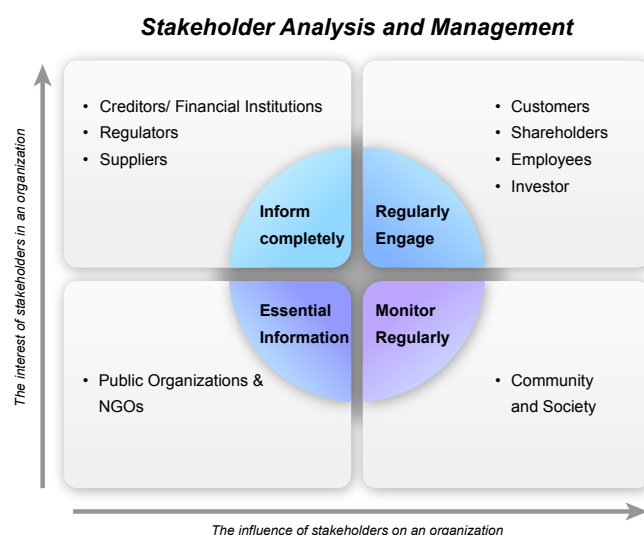
Stakeholder Engagements [GRI 102-21, 102-40, 102-42, 102-43, 102-44]

The Company recognizes the importance of all stakeholder groups whether it is the internal stakeholders such as shareholders, employees, and management of the Company and subsidiaries or external stakeholders such as creditors, suppliers, customers, investors, communities, government agencies, and other related organizations whom the Company has an ongoing relationship with and impact on because of its business operations.

The Company carefully considers all aspects of its business, both internal and external, to define its engagement goals. These goals are focused on specific processes, operations, and broader company-wide initiatives. Through this process, the Company identifies relevant stakeholders and prioritizes those most impacted or influential. Stakeholder expectations are considered throughout this process, guided by the principles and tools of the AA1000SES standard. These principles - inclusivity, materiality, and responsiveness - are deeply embedded in the Company's practices, corporate strategies, and daily operations.

Stakeholder Engagement Process

- **Identifying and prioritizing key stakeholders:** The Company identifies and prioritizes key stakeholders by considering their knowledge of crucial issues, engagement expectations, relationship with the Company, influence level, geographic location, and organizational context, ensuring a comprehensive understanding of stakeholders' concerns and expectations.
- **Define engagement methods:** The Company defines engagement objectives and selects appropriate methods for communicating and collaborating with various stakeholder groups. These methods may involve conducting surveys and interviews, as well as organizing focus groups, seminars, and utilizing online platforms and other channels that are deemed appropriate.
- **Develop a communication plan:** The communication plan of the Company is established through the clarification of its objectives and policies. It considers the necessary resources to effectively communicate with stakeholders, including the selection of appropriate channels, determining the frequency of communication, and identifying key messages that promote transparency and clarity.
- **Grievance mechanism:** The Company engages its stakeholder groups in a variety of ways, with frequency and communication mechanisms based on the most effective means of facilitating dialogue. The Company has provided channels on its website for any stakeholder to express his/her opinion and contact the Board of Directors in case they wish to do so directly without going through the management. The Board has and will continue to treat such information seriously and with the utmost confidentiality.
- **Monitor and evaluate:** The Company regularly monitors and evaluates the engagement process at least once a year. Feedback on the engagement is collected and utilized to enhance future involvement efforts.



Currently, the Company categorizes and prioritizes stakeholders into nine groups, which are presented below. All business units are responsible for creating and maintaining good relationships with these groups, communicating, taking their suggestions, and assessing their expectations.

Stakeholders	Stakeholders Expectations	Key Actions	Engagement Approach & Tools
Shareholders	<ul style="list-style-type: none"> • Share in profits by way of dividends • Business growth and sustainability • Fair and transparent operations • Risk management • Equitable treatment • Appropriate channels for monitoring the Company's performance and giving feedback to the Company • Easy accessibility to the management of the Company 	<ul style="list-style-type: none"> • Creation, preservation, and enhancement of long-term value for our shareholders • Disclosing timely, concise, and relevant information • Responsive to all inquiries 	<ul style="list-style-type: none"> • Direct channel of communication to the Board/management is open to every shareholder • Shareholder meetings at least once a year, plus quarterly SET opportunity day meetings (videos of these meetings are available on the Company's website) • Regular newsletters from the CEO • Annual report and other reports, such as press releases, etc. • Frequent communications through company visits, road shows and meetings
Customers	<ul style="list-style-type: none"> • Professional service with a fair charter rate • Commitment to agreements 	<ul style="list-style-type: none"> • Develop services to respond to diverse needs • Provide efficient, reliable, and professional services and solutions to all our customers • Follow the terms of agreements 	<ul style="list-style-type: none"> • Conduct the customer satisfaction survey at least once a year • Provide a substantive reply to any query promptly • A direct channel of communication to the Board/management is open to every stakeholder
Employees (both at sea and onshore)	<ul style="list-style-type: none"> • Appropriate compensation and welfare • Career advancement and succession • Competency enhancement • A positive and good work environment • Security and safety at work 	<ul style="list-style-type: none"> • Respecting human rights and diversity • Ensuring equal opportunity • Ensuring a safe and healthy work environment • Providing skill enhancement via sophisticated training 	<ul style="list-style-type: none"> • Annual review of compensation, welfare, and benefits structure to remain competitive with industry standards • Open channels for accepting opinions and suggestions • Conduct an employee satisfaction survey at least once a year

Stakeholders	Stakeholders Expectations	Key Actions	Engagement Approach & Tools
Creditors/ Financial Institutions	<ul style="list-style-type: none"> • Ability to repay debts and punctual payment • Fair returns on loans and service fees • Commitment to agreements • Transparent information sharing 	<ul style="list-style-type: none"> • Full compliance with all terms of borrowings, including compliance with the objectives of using the borrowed funds, repayment, collateral, and other conditions as may be agreed 	<ul style="list-style-type: none"> • Regular meetings for information exchange and to maintain a good relationship • Financial and annual operating reports • Promptly respond to any queries
Community & Society	<ul style="list-style-type: none"> • Improvement in quality of life • Support community activities • Environment protection 	<ul style="list-style-type: none"> • Support the local community on a regular basis • Put in place and implement appropriate measures to reduce the environmental impact of the Company's operations 	<ul style="list-style-type: none"> • Meet with key community stakeholders to plan and execute community development projects
Regulators	<ul style="list-style-type: none"> • Compliance with relevant laws, rules and regulations • Good corporate governance and transparency • Sufficient and timely information disclosures 	<ul style="list-style-type: none"> • Follow guidelines in doing transactions with the state, adhere to the code of conduct and actively engage in academic collaboration • Periodic internal assessment of regulatory compliance • Complaint handling channels and remedial measures 	<ul style="list-style-type: none"> • Regular disclosures through the SET • Regular participation in meetings and activities of related agencies • Annual report and other reports, such as press releases, etc.
Suppliers	<ul style="list-style-type: none"> • Fairness and equal opportunity in the procurement process • Fair prices • Reputation and credibility • Honor payment terms 	<ul style="list-style-type: none"> • Ensure that terms and conditions for suppliers are based on industry norms and practices • Follow agreed upon terms and conditions • On-time payment 	<ul style="list-style-type: none"> • Conduct supplier evaluations through questionnaires and surveys • Complaint handling channels on the corporate website
Independent/ Public Organizations & NGOs	<ul style="list-style-type: none"> • Collaboration to drive forward sustainable development 	<ul style="list-style-type: none"> • Dialogue through industry associations 	<ul style="list-style-type: none"> • Direct engagement to foster closer cooperation

Stakeholders	Stakeholders Expectations	Key Actions	Engagement Approach & Tools
Prospective Investors	<ul style="list-style-type: none"> • Return on investment • Business growth and sustainability • Fair and transparent operations • Risk management • Appropriate channels for monitoring the Company's performance • Easy accessibility to the management of the Company 	<ul style="list-style-type: none"> • Business operations that are transparent, verifiable, and adheres to the principles of good governance • Transparent, complete, and consistent disclosure of information • Provide accurate and complete financial information • Adhering to ethical and legal standards 	<ul style="list-style-type: none"> • Direct and open channel of communication to management • Frequent meetings and conference calls/Q&A sessions • Regular disclosures through the SET • Presentation/Roadshows 14 times in 2024 • Annual report and other reports, such as press releases, etc.

Stakeholder Type	Engagement Types			
	Email/ Telecommunications	Direct Meetings	Events	Surveys/ Questionnaires
Shareholders	✓	✓	✓	
Customers	✓	✓		✓
Employees	✓	✓	✓	✓
Creditors/ Financial Institutions	✓	✓	✓	
Suppliers	✓	✓		✓
Local Communities	✓	✓	✓	
Industry Associations/Unions/ NGOs	✓	✓		
Regulators	✓	✓		
Investors	✓	✓	✓	

The Materiality Assessment ^[GRI 102-31, 102-47, 103-1]

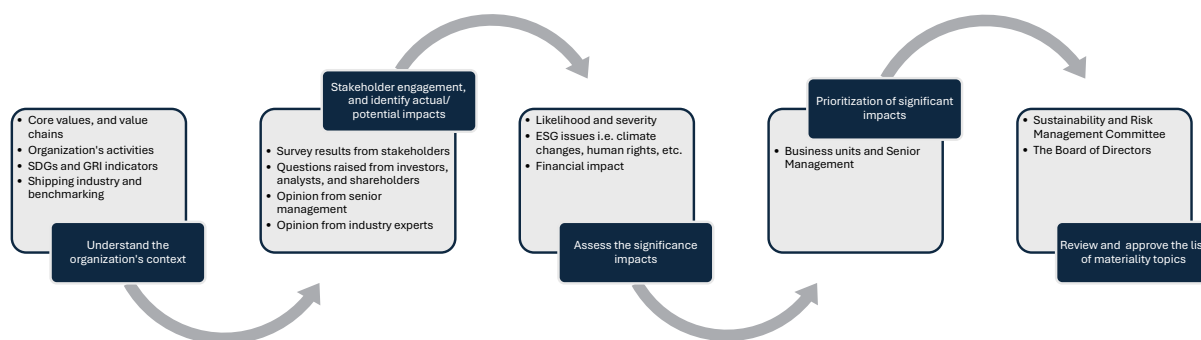
The content of this sustainability report is geared to highlight the Company's policies, achievements, and challenges towards sustainability within the reporting period. The Company has ascertained this content by carrying out a materiality assessment.

The group conducts an annual evaluation to recognize significant sustainability materiality concerns. This process ensures that the identified critical issues correspond with the group's activities and stakeholder expectations, in addition to being relevant to the prevailing economic, social, and environmental landscape. The evaluation of significant sustainability materiality concerns is based on the assessment of both the effects of the Company's operations on society and the environment, as well as the influence of sustainability issues on the organization's overall value.

Materiality Assessment Processes

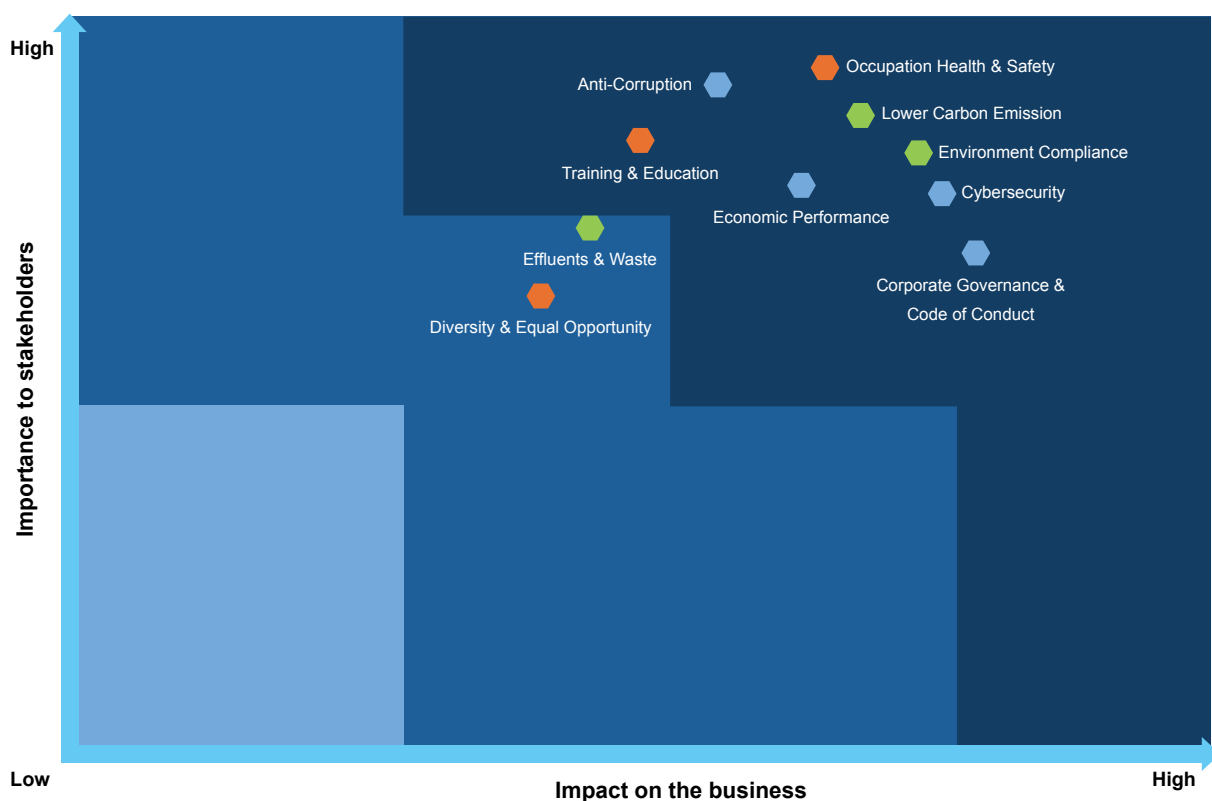
In alignment with the principles of the GRI Standards and the SDGs, the Company has used a four-step process in determining its materiality assessment:

- 1. Identification of actual and potential impacts:** By evaluation of the boundaries (where the impact of each issue occurred), the impact of each issue was determined both inside and outside the Company, and by business unit utilizing SDGs, and GRI indicators.
- 2. Assess the significance of the impacts:** By analyzing the data from the engagement survey to identify and assess issues of significance to the organization as well as its stakeholders. This process involved determining areas that hold considerable economic, environmental, and social impact, enabling us to prioritize and address the concerns most critical to our collective success and sustainability.
- 3. Validation of prioritization and identification through review and evaluation:** This materiality assessment has been validated through internal representatives of the business units with assistance from senior management.
- 4. Review of context on an annual basis:** The results of the sustainability materiality issues, after being reviewed by the senior management, are submitted annually to the Group's Sustainability and Risk Management Committee (Board-level) and the Board of Directors.



The materiality matrix below presents ten topics for each sustainability-related category, based on their level of significance and impact. The topics in the matrix reflect the Company's sustainability priorities and the issues that are most relevant and important to the Company and its stakeholders. The Company recognizes the value of broadening its engagement with its stakeholders to improve its materiality assessment and increase the relevance of information within its report based on stakeholder priorities.

2024 Materiality Matrix



Economic

- Economic Performance
- Corporate Governance & Code of Conduct
- Anti-Corruption
- Cybersecurity



Environment

- Lower Carbon Emission
- Environment Compliance
- Effluents & Waste



Social



- Training & Education
- Occupation Health & Safety
- Diversity & Equal Opportunity






Contribution to Sustainable Development Goals (SDGs) [GRI 102-15, 102-29, 103-2, 103-3]





The Company aims to support the United Nations' Sustainable Development Goals (SDGs). The Company integrates these goals into its business operations to ensure that all executives and staff are able to achieve sustainable development alongside the Company's business growth.

The Company is committed to meeting the UN's sustainable development goals, particularly in relation to the promotion of good health and well-being; quality education; gender equality; decent work and economic growth; climate action; peace, justice and strong institutions; and partnerships to achieve the goal. These goals are integral to the long-term sustainability of the Company.

Sailing Toward Sustainability Goals

Materiality topics	Key stakeholders	Our commitments	Targets 2030	Our efforts in 2024	SDGs
Risks and opportunities arising from climate change	<ul style="list-style-type: none"> Regulators Shareholders Investors Communities and society 	<ul style="list-style-type: none"> To identify and assess the impact of extreme climate changes. 	<ul style="list-style-type: none"> Incorporate climate change and natural disaster scenarios into our risk management framework. 	<ul style="list-style-type: none"> Aligned our reporting with the TCFD framework and recommendations and incorporated climate risk into our enterprise risk management. Regularly reporting on climate change-related risks and opportunities to the sustainability and risk management committee. Investing in innovative technologies and modern vessels to minimize the environmental impact of the existing fleet. 	
Carbon footprint and emissions	<ul style="list-style-type: none"> Regulators Charterers Shareholders Investors Communities and society 	<ul style="list-style-type: none"> To reduce the carbon footprint and harmonize the Company's efforts towards environmental conservation. 	<ul style="list-style-type: none"> Reduce CO2 emissions per transport work (ton DWT) by at least 40% by 2030, compared to 2008 as the baseline year, aligning with the objectives set by the International Maritime Organization (IMO). Become a player in new energy transportation and supply that supports decarbonization and carbon neutrality. 	<ul style="list-style-type: none"> Joined the Getting to Zero Coalition, an industry group formed to jointly develop commercially viable zero-emission vessels. Reduced CO2 emissions per transport work (ton DWT) in 2024 by about 53%, compared to 2014. All vessels in the fleet are weather routed so as to save on fuel consumption as well as increase safety. Achieved 5% savings in energy consumption and emissions per vessel by installing wake equalizing ducts on 20 vessels in the fleet. Study use of B24 and B34 biofuels to reduce net emissions. We have replaced the propellers on two ships, to reduce emissions. Using fuel additives to improve fuel oil combustion and thereby reduce emissions. Conducted a survey to collect initial inventory and emission data to establish a baseline data set for current employee commute behaviors. Regular staff awareness programs to create awareness and promote low-carbon behavior and energy saving habits among our employees. 	

Materiality topics	Key stakeholders	Our commitments	Targets 2030	Our efforts in 2024	SDGs
Effluents and waste	<ul style="list-style-type: none"> Regulators Communities and society 	<ul style="list-style-type: none"> To protect and conserve the environment and to rank environmental considerations equally with commercial and operational factors. 	<ul style="list-style-type: none"> Recycle ships in an environmentally responsible manner. Reduce the fresh water received on shore by at least 25% by 2029, compared to 2019 as the baseline year. Reduce the food waste on board by 20% by 2029, compared to 2020 as the baseline year. Maintain zero oil spills. 	<ul style="list-style-type: none"> While no vessels were recycled during the period, all vessels have been audited by recognized organizations and issued an "Inventory of Hazardous Materials" certificate, thus ensuring that if and when any of the vessels are recycled, they are done so in an environmentally safe and sustainable manner. In 2024, the Company organized the campaign, "Empowering Oceans Through Marine Life Guardianship & Team Up to Clean Up" aimed to boost the gulf of Thailand's blue swimming crab population by releasing them into the sea. The release of blue swimming crabs into the sea, a crucial element of the initiative, directly addressed the overfishing crisis faced by the iconic blue swimmer crab in Thailand. Reduced water sourced from onshore in 2024 by 23.50% compared to 2019. Strategic partnership with local vendors with the objective of gathering and recycling waste papers. 	 
Cybersecurity	<ul style="list-style-type: none"> Customers Employees Creditors/ financial institutions 	<ul style="list-style-type: none"> To protect our information systems and data assets by implementing robust security measures, fostering a culture of cybersecurity awareness, and ensuring compliance with relevant standards and regulations. 	<ul style="list-style-type: none"> Strengthen adaptability to effectively respond to and manage emerging threats (Cyber Resilience). 	<ul style="list-style-type: none"> Zero cyber threat incidents Zero incidents or complaints regarding data security breaches. 100% of employees receive comprehensive cybersecurity awareness training. 	 
Anti-corruption	<ul style="list-style-type: none"> Employees Charterers Suppliers Regulators 	<ul style="list-style-type: none"> To conduct business ethically with a zero-tolerance approach to bribery and corruption. 	<ul style="list-style-type: none"> Maintain zero incidents of corruption. 	<ul style="list-style-type: none"> Provided training sessions for all employees. Communicated our anti-corruption policy and practices to employees, suppliers, financial institutions and other stakeholders. Training on business ethics and anti-corruption was conducted for all employees of the group by Collective Action against Corruption, an initiative led by the Thai private sector. There were no unethical cases reported in 2024. 	

Materiality topics	Key stakeholders	Our commitments	Targets 2030	Our efforts in 2024	SDGs
Economic performance	<ul style="list-style-type: none"> Shareholders Employees Investors 	<ul style="list-style-type: none"> To create, preserve and enhance long-term value for our shareholders. To be good stewards of capital. 	<ul style="list-style-type: none"> Build long-term value through sustainability. Control operational cost. Focus on customer needs and on exceeding their expectations. 	<ul style="list-style-type: none"> Yearly evaluation of operational performance and efficiency. Invested in new technologies and modern vessels to improve operational efficiency. Conducted trials on a range of energy-saving devices and technologies in order to enhance the efficiency of our current fleet. Achieved lower opex than the industry average. 	
Training and education	<ul style="list-style-type: none"> Employees Communities and society 	<ul style="list-style-type: none"> To reinforce positive attitudes towards health and safety and to amplify the competence and skills of our employees by conducting a range of in-house training and development programs for employees across the organization. 	<ul style="list-style-type: none"> Regularly update or develop an internal training program for all crew members. Focus exercises designed to improve navigational skills and awareness by putting officers through various weather, sea, and port conditions. 	<ul style="list-style-type: none"> A total of 1,542 sea going officers and crew members attended a total of 20 courses that were conducted online and at our training center in bridge team competency during the year. Initiated a scholarship program to support the children of our valued employees and crew members. This program aims to support young individuals in pursuing their academic aspirations. A total of 20 scholarships were granted based on both academic excellence and financial need. Funded a total of 20 scholarships and internships for students within the maritime and transportation industries. Donated to a school in rural Thailand, believing in the transformative power of education for children and communities alike. 	
Occupational health and safety	<ul style="list-style-type: none"> Employees 	<ul style="list-style-type: none"> To conduct business with the highest standards of safety, occupational, and health conditions. 	<ul style="list-style-type: none"> Achieve zero work-related fatalities. Stabilize the lost-time injury rate at below 0.30 (per 1 million hours worked). 	<ul style="list-style-type: none"> Ensured a safe and healthy work environment through various anti-pandemic measures. Implementation of remote working to ensure the safety and well-being of employees during the pandemic. Conducted annual fire drill and evacuation training to prioritize the safety of employees and empower our team with critical fire knowledge for a safer workplace. 	
Diversity and equal opportunity	<ul style="list-style-type: none"> Employees Regulators 	<ul style="list-style-type: none"> To be a fair and caring employer, offering its staff equitable opportunities to develop and grow. 	<ul style="list-style-type: none"> Promote a diverse workforce with an inclusive culture. 	<ul style="list-style-type: none"> Established a diversity and inclusion policy. Conducted a gender equality training and awareness program for our employees. Granted a scholarship to one female cadet. 	

Sustainable Management Performance

Corporate Governance, Ethics, and Integrity ^[GRI 102-34, 103-1]

The Company is committed to conducting business under good corporate governance principles, doing business ethically, striving for the betterment of society and the environment. The Board of Directors has promoted corporate governance practices to help fulfill its responsibility to the shareholders. The Board of Directors has to serve in a prudent fiduciary relationship with shareholders and to oversee the management of the Company's business. Details of the Company's governance structure are provided in the **"Organization Structure"** section of this annual report.

Governance Data ^[GRI 405-1]

Performance Data	2024
Board of Directors	
Chairman of the Board of Directors	Independent Director
Members	12
Independent directors	42%
Non-executive directors (including independent directors)	75%
Executive directors	25%
Number of meetings held (times)	5
Attendance ratio (%)	97%
The proportion of directors by gender	
Female	42%
Male	58%
Audit and Corporate Governance Committee	
Chairman of the Audit & Corporate Governance Committee	Independent Director
Members	3
Independent directors (%)	100%
Number of meetings held (times)	4
Attendance ratio (%)	100%
Sustainability and Risk Management Committee	
Chairman of the Sustainability and Risk Management Committee	Independent Director
Members	5
Independent directors (%)	80%
Number of meetings held (times)	4
Attendance ratio (%)	100%
Nomination and Remuneration Committee	
Chairman of the Nomination and Remuneration Committee	Independent Director
Members	3
Independent directors (%)	67%
Number of meetings held (times)	2
Attendance ratio (%)	100%

Business Ethics and Code of Conduct

The Company has set up a business ethics and code of conduct manual and a corporate governance policy to commit to the key principles of integrity, ethical business conduct, and accountability for directors, executives, and staff as a guideline in carrying out their respective work for the Company in a transparent, honest, faithful, and justifiable manner. These guidelines can be accessed through the Company's website.

Performance indicators – Business Ethics and Code of Conduct	2022	2023	2024
Total monetary loss due to legal proceedings associated with bribery or corruption	0	0	0
Total number of insider trading violations	0	0	0
Total number of conflict of interest issues	0	0	0
Total number of incidents reported of human rights issues	0	0	0
Total number of significant labor dispute	0	0	0

Business Ethics and Anti-Corruption Training

At PSL, we recognize that our employees are our most valuable asset. We are committed to fostering a culture of integrity, accountability, and continuous improvement. To this end, we place significant emphasis on training programs that empower our team to uphold the highest standards in their professional conduct and contribute to our shared success.

Each year, the Company conducts comprehensive training sessions focusing on key areas such as business ethics, anti-corruption practices, and industry best practices. These sessions are designed to ensure that our employees are well-equipped to navigate the complexities of the modern business environment while adhering to our core values and ethical principles.

By investing in regular training, we aim to enhance employee knowledge, promote ethical decision-making, and strengthen our commitment to responsible business practices.

Business Ethics and Anti-Corruption Training (%)	2023	2024
Training attendance rate	100	100

Anti-Corruption ^[GRI 205-2, 205-3]

The Company has developed a reputation in the industry for having zero tolerance toward any form of corruption or unethical behavior. The senior management has always enforced this policy throughout the history of the Company. The Company has established an anti-corruption policy and a self-evaluation tool for countering bribery and corruption.

This policy, which is an embodiment of the age-old stance of the Company, against any form of corruption or unethical behavior, has been communicated to every member of the Board of Directors and each of the Company's employees.

In December 2018, the Company implemented a “No Gift Policy” in accordance with guidelines from the Private Sector Collective Action Coalition against Corruption (CAC), whereby the Company requested all business partners not to give any gifts for any occasion to any of its personnel, including its directors, executives, and employees at all levels. The Company continued with this practice in 2024. This no gift policy reinforces the Company's compliance with the anti-corruption policy and good corporate governance principles.

The Company provided anti-corruption seminars and training for all directors, executives, and staff members at the office to bolster the Company's anti-corruption culture.

The Company extends the application of these policies beyond itself and applies the same to each individual/corporation/organization that the Company deals with.

The Company does not make any contributions to political campaigns, political organizations, lobbyists or lobbying organizations, trade associations and other tax-exempt groups, or any other (e.g. spending related to ballot measures or referendums).

The Company has set up a channel to contact the Board of Directors directly for any business suggestions, complaints, or recommendations indicating the impact or risks of impact on stakeholders arising from its business's wrongful action, violation of the code of conduct, illegal acts, etc. As such, the Company ensures that none of its affairs are conducted with or through any unethical individual/corporation/organization.

In 2024, there were zero whistleblowing incidents and zero violations of our ethical principles.

Whistleblowing Channels

The Company has established processes and channels for receiving and dealing with complaints from all stakeholders. Stakeholders may raise concerns or complaints directly with the Chairman of the Board of Directors, Mr. Chaipatr Srivisarvacha, an independent director, through the following contact details

Channels for reporting

- Website: <https://www.preciousshipping.com/en/stakeholders-direct-contact-channel/>
- By sending a post to Mr. Chaipatr Srivisarvacha: No. 217/79 Crystal Garden Condominium, Soi Sukhumvit 4, Sukhumvit Road, Klongtoey, Bangkok 10110
- E-mail: chaipatr@capmaxx.co.th
- Suggestion Box: Crewing and Staffing department

Process of Handling Complaints

- Upon receiving a complaint, Mr. Chaipatr Srivisarvacha, the designated person, will review and consult the Chairman of the Audit and Corporate Governance Committee and/or any members of the Board of Directors. All relevant Directors above will decide whether an investigation is appropriate and, if so, what form it should take. They will decide to take no further action if a complaint appears to be trivial or malicious or due to vested interests of the complainant.
- Some concerns may be resolved by agreed action without the need for investigation and the necessary employees will be involved in those discussions.
- If an investigation is required, all relevant Directors above may designate an appropriate person(s) to investigate the matter.
- The designated person(s) shall address the complaints considering the seriousness of the issue raised and credibility of the concern and may, in their discretion, consult the Audit and Corporate Governance Committee, any top executive, engage outside auditors and/or legal experts who may have appropriate expertise to assist in the investigation and analysis of the results thereof.
- The designated person(s) should investigate the matter within a reasonable time frame. Investigations shall be made with the utmost respect in accordance with all relevant laws and regulations.
- If the matter is important, such as one that affects the reputation and image or financial status of the Company, or conflicts with the Company's policies for conducting business, or involves a top executive, the designated person(s) will submit the investigated result, opinion and the appropriate course of action to prevent recurrence of any unethical event, to the Audit and Corporate Governance Committee and/or the Board of Directors for consideration.
- The designated person(s) may decide how to report the progress/results of the investigation or the complaint to the complainant if his/her name is revealed.

Precious Shipping was certified as a member of Thailand's Private Sector Collective Action Coalition against Corruption (CAC)



Photo: Mr. Gautam Khurana, Director (Finance) of the Company was presented the CAC membership renewal certification at an online awards ceremony held in December 2022.

PSL has been a certified member of CAC since 2019. To receive the membership certificate, the Company must undergo a self-assessment process and have it reviewed and approved by the Chairman of the Audit and Corporate Governance Committee to show that it follows anti-corruption policies and practices and has completed documentation as required by the CAC Committee.

The CAC aims to tackle corruption, build a critical mass of clean and transparent businesses and uplift compliance standards of private companies.

In 2024, PSL reaffirmed its commitment to ethical business practices by conducting a comprehensive training program for all employees on business ethics and anti-corruption. The training was designed to equip participants with the knowledge and tools needed to uphold the Company's values and actively contribute to combating corruption in their professional roles.

The program covered key topics, including:

- The corruption situation in Thailand: Raising awareness about the current landscape and the critical need for vigilance and ethical practices.
- The role of the private sector in reducing corruption: Highlighting the importance of collective action and the specific responsibilities of directors, executives, and employees in this effort.
- Guidelines for ethical dilemmas: Providing practical approaches for directors and employees to navigate challenging situations while adhering to ethical principles.
- Policy and code of conduct: Reinforcing the Company's policies and standards to ensure consistency in decision-making and behavior.
- Whistleblowing system: Creating a safe and effective mechanism for reporting unethical practices, with a focus on protection and confidentiality.
- Interactive sessions: Facilitating hands-on scenarios to deepen understanding and application of the training content.

- To measure the program's effectiveness, a post-training understanding test was conducted, ensuring that participants had grasped the core concepts and could apply them in real-world situations.
- This initiative reflects our unwavering dedication to fostering an ethical workplace culture and strengthening our organization's role in building a transparent and corruption-free business environment.

Customer

Customer Relationship Management

The Company recognizes that its success depends on adding value to customers by transporting goods cost-efficiently and reliably. As maritime shipping is a 24/7 business, it is imperative that company employees, both ashore and onshore, respond to customer needs promptly and substantively. The Company strives to offer solutions to the Customer's issues, even if its vessels are not involved, as long as they are within the bounds of the agreed contract. The Company is happy to report that its service is well appreciated, and many first-class charterers prefer to do business with the Company over others in the market.

Information about our vessels

Full details of all our ships are provided under the fleet list section of our corporate website. In addition, the corporate website has an open positions page that provides details of open ships, i.e. name, year of build, deadweight, open dates, open port, etc., so that prospective customers and other stakeholders can make informed decisions.

The Company has provided channels on its website for any stakeholders to express their opinions and contact the Board of Directors in case they wish to do so directly, without going through the management. The Board has and will continue to treat such information seriously and with the utmost confidentiality. In an effort to improve the level of service it provides to customers even further; the Company actively solicits the feedback of its customers through a customer satisfaction survey that is sent after the completion of each contract.

Dry bulk vessels are used to transport raw materials and unpackaged bulk cargo such as iron ore, coal, cement, steel, agricultural products, and lumber. These vessels are designed to carry large amounts of these materials and are a crucial part of the supply chain for industries such as construction, manufacturing, and agriculture.

The Company prioritizes cargo safety and timely delivery. The Company has implemented the following measures to ensure the safety of both the cargo and the crew members aboard the vessel:

- **Crew health:** Ensure that the crew is healthy and free from communicable diseases before they embark on a voyage to minimize the risk of transmission to other crew members and visitors.
- **Cleanliness:** Maintain high standards of cleanliness and hygiene on the ship to prevent the spread of disease.
- **PPE:** Provide personal protective equipment (PPE) to the crew and visitors as needed to minimize the risk of exposure to hazardous materials or conditions.
- **Emergency response plan:** Develop and implement an emergency response plan to ensure that the Company is prepared to respond quickly and effectively in the event of an incident.
- **Communication:** Maintain open and frequent communication with customers to keep them informed about the status of their cargo and to address any concerns.
- **Risk assessment:** Perform a thorough risk assessment to identify potential hazards and take proactive measures to minimize the risk of loss or damage.
- **Vessel maintenance:** Regularly maintaining and updating the vessels to meet safety standards, such as firefighting equipment, life rafts, and navigation systems.
- **Safety training:** Providing regular training to crew members on emergency procedures, evacuation plans, and the safe handling of hazardous cargo.

- **Insurance coverage:** Offer insurance coverage options to customers to provide them with financial protection in the event of loss or damage to their cargo.
- **Customer feedback:** Encourage customers to provide feedback on the company's services and take action to address any areas for improvement.

Customer Satisfaction Survey

The Company believes that customer satisfaction has a positive and direct effect on profitability and brand value. The Company has set a target to achieve at least 50% very satisfied customer satisfaction rates for both criteria. Customer satisfaction results in 2023 and 2024 are presented below.

Customer Satisfaction Results

Customer satisfaction results	Customer satisfaction rating for the performance of the master and ship staff		Customer satisfaction rating for the performance of PSL's operations team	
	2023	2024	2023	2024
Very satisfied	68%	81%	84%	77%
Satisfied	32%	15%	11%	15%
Neutral	0%	0%	5%	8%
Dissatisfied	0%	4%	0%	0%
Very dissatisfied	0%	0%	0%	0%

The Company recognizes and promptly engages with customer feedback, demonstrating the value placed on their opinions. We collected feedback from various sources, including emails, customer surveys, social media, and other channels, and thoroughly analyzed this input to identify trends and gain insights into the strengths and areas for enhancement within the business.

In 2024, one customer complaint was resolved and communicated, achieving a 100% resolution rate. Customer feedback is continuously monitored to evaluate the effectiveness of the implemented changes. By engaging in iterative feedback cycles, we ensure responsiveness and enhance our ability to adapt to evolving customer needs.

Customer Privacy ^[GRI 418-1]

For customer privacy, the Company insists on protecting customers' confidential information from loss, theft, misuse, unauthorized disclosure, modification, and unauthorized destruction. The Company handles complaints through phone lines, emails, and letters to and from customers. The Company always prioritizes the principles of transparency and responsibility in providing services to its customers to meet the commitment to provide the best service, provide a rapid response to various requests and complaints as part of a service commitment and maintain the confidentiality of its customers.

During the reporting period, there have been no complaints whatsoever regarding the mentioned issues and no financial penalties or other sanctions associated with the violation of the confidentiality of customers' data.

Cybersecurity

The Company recognizes the critical importance of cybersecurity in protecting its business operations, data, and stakeholders. Our approach to cybersecurity is built on robust governance, advanced technology, and a commitment to continuous improvement, ensuring that our systems remain resilient against emerging threats.

IT Governance Framework

The Board fulfills its governance responsibilities through various committees, ensuring that Information Technology (IT) governance supports the organization's objectives and mitigates risks. Our IT governance framework is designed to align IT strategies with business goals, enhance operational efficiency, and ensure robust risk management.

The Sustainability and Risk Management Committee oversees IT governance as part of its broader responsibility to monitor risks and sustainability initiatives.

The Group's Executive Director and the Head of Information Systems, work collaboratively to implement IT governance policies and strategic directives.

Information Systems department ensures that information systems are effectively managed and maintained, supporting operational requirements and ensuring technology reliability and security. All Information Technology policies and standards are approved by the top management.

IT Security Policy and Practices

The Company has a policy on information technology security as part of its business ethics and code of conduct. This policy is in place to ensure that the use of technology in business is done in an ethical manner, following governance guidelines. The Company has established and implemented the 'Information Security Management System Policy' to ensure the protection and preservation of sensitive and confidential information through proper implementation of security measures and procedures. Employees ashore as well as aboard ships receive regular cybersecurity awareness training.

Cybersecurity in operations

In response to the evolving landscape of modern maritime operations, we recognize the imperative need to fortify our cybersecurity not only at sea but also within our office environments. As ships become more interconnected and reliant on advanced software, the attention dedicated to cybersecurity becomes paramount to mitigate operational and safety risks. This heightened focus extends across the global shipping industry, where addressing cybersecurity concerns remains a significant challenge for companies worldwide.

Our commitment to enhancing cybersecurity encompasses a multifaceted approach. We continually evaluate and address emerging threats to elevate our overall security posture, cultivating an environment that fosters the organization's work while minimizing the potential for security breaches. The interconnected threads of the global risk environment converge in the realm of cybersecurity, presenting a growing scale and sophistication of risks. Geopolitical trends contribute to this dynamic, as the landscape is susceptible to state-sponsored cyber-attacks that could exacerbate the financially motivated cyber threats prevalent in our industry.

The surge in cyber exposure within companies is a consequence of the rapid proliferation of interconnected devices, the integration of emerging technologies onboard ships, and the utilization of artificial intelligence. To navigate this complex cybersecurity landscape, our industry's primary focus is shifting toward our capacity to respond effectively to the escalating frequency and sophistication of cyber-attacks.

Moreover, our commitment to cybersecurity is underscored by our attainment of ISO/IEC 27001 certification, a globally recognized standard for information security management systems. This certification not only validates our dedication to cybersecurity but also reinforces a holistic approach encompassing the vetting of individuals, establishment of robust policies, and the implementation of cutting-edge technologies.

As we fortify our defenses both at sea and in our offices, we strive to ensure the sustainability and resilience of our company in the face of ever-increasing cyber threats. Our proactive measures, strategic investments, and comprehensive cybersecurity practices position us to adapt and thrive in the digital age while safeguarding the integrity of our operations and the trust of our stakeholders.

Management Information System

As reported in previous years, the computer program implemented by the Company covers all the operations in the head office and links all the vessels in the fleet. This software gives real-time information on vessel operations, costs, etc., and keeps the head office in close contact with the master of each vessel; and assists in effective decision making on all issues. This system has enhanced the company's ability to serve its customers and to provide support to its employees serving onboard the ships. This system is now being upgraded to include additional data collection for new reporting requirements and monitoring of vessels' performance through increased digitalization.

Cybersecurity Awareness Training

Cybersecurity awareness training is conducted through an online platform for employees every month to enhance the understanding of potential cyber threats and risks, empowering employees to adopt secure practices to mitigate the likelihood of security breaches, safeguard sensitive information, and contribute to the overall resilience of the organization against cyber threats.

Target: Maintain a 95% attendance rate for cybersecurity awareness training sessions.

Performance results: All employees (100%) have accessed and completed the cybersecurity learning platform test. The results of the training have been reported to senior management.

Cyber Incident Response

The Company responds to cyber security hazards and threats through analyzing our cyber security gaps and closing all identified gaps within the organization. We have been working on firewall protection measures to prevent external attacks through applications, using a virtual private network (VPN), and inspecting emails from outside the organization. Furthermore, we have restricted access to unsafe sites, established measures to protect companies from viruses, and backed up organizational data to prevent damage from data theft or other incidents that might create impacts on the Company's data systems in the event of an emergency. In this respect, the Company has also conducted emergency response plan drills to maintain response readiness if an incident were to occur.

The IMO resolution MSC.428(98) on maritime cyber risk management in SMS has already come into effect from 1 January 2021. The resolution states that an approved SMS should consider cyber risk management in accordance with the objectives and functional requirements of the ISM Code. It encourages administrations to ensure that proper risk assessments and measures to protect ships from cyber incidents are included in the SMS. It also requires that these measures be implemented no later than the first annual verification of the Company's DOC after 1 January 2021. We have already completed this on all our vessels.

Although we have not had any cybercrime incidents to date, at PSL, we constantly review and maintain our findings that:

- Our present systems incorporated in the office environment and onboard ships are "robust" enough with the understanding that both IT and OT systems may be involved in cyber security incidents.
- The sophistication of cyber threats is rapidly evolving, and it is important that our cyber security systems are able to meet these new and evolving challenges. We work with an external managed detection and response (MDR) provider who assists us with conducting regular vulnerability assessments as well as 24/7 monitoring and threat detection of our key IT infrastructure systems. A vulnerability assessment was also done on a vessel in the fleet. Based on the gap analysis report, we have acted and completed all the recommended measures onboard our ships to increase our cybersecurity posture.
- Additionally, EY audits the integrity and vulnerability of our financial and accounting database once a year.
- We ensure that all network devices and servers have the latest updates installed.

- Although most ships are now connected to the internet, only permitted whitelisted websites can be accessed, minimizing the risk of malware and phishing. The OT systems in machinery spaces and the vital navigation equipment are segregated and not connected to the internet. That minimizes, if not eliminates, the risk due to cyber-attacks onboard ships.
- AIS, ECDIS, vessel Data Recorders (VDR), etc., are part of the Integrated Bridge System (IBS). Our system setup onboard ensures that such equipment is not directly connected to the internet at any time, and hence, no data from such equipment is available or transmitted directly online.

Nevertheless, to reduce vulnerability to both cyber accidents and cyber-attacks, as well as to ensure the safety and efficiency of our operations, the Company has implemented the following additional protocols and practices into its corporate operations and procedures:

- All members of the Company, ranging from senior management ashore to the crew on-board, are involved in the safety and security culture onboard each vessel and in the office environment.
- Incorporating cyber risks into company policies to ensure alignment with the security and safety risk management requirements outlined in the ISPS and ISM Codes.
- Incorporating new related requirements in in-house training programs, relevant onboard procedures, the day-to-day operations of the vessel, and the maintenance of critical cyber systems, if any, that may exist onboard.
- The Company conducts regular security awareness campaigns to educate its employees about the latest cyber threats and how to avoid them. This helps to create a culture of security within the organization.
- The Company ensures that all its systems are regularly updated and patched to protect against known vulnerabilities.
- The Company invests in advanced technology to enhance its cyber security measures. This includes the use of AI and machine learning to detect and prevent cyber threats.
- The Company conducts regular audits and inspections to ensure that all safety and security protocols are being adhered to. This includes checking the effectiveness of the cyber risk management system and making necessary adjustments.

Data Privacy Protection

The Company has already formalized its commitment to ensure personal data protection and privacy through its “Personal Data Protection Policy”. The purpose of this policy is to provide the appropriate framework for handling personal data and to ensure that there are sufficient security measures in place to protect and secure personal data which the Company is collecting, using, and disclosing in accordance with the PDPA and any related regulations thereof. The Company has also commenced certain specific implementations to fully comply with the law and to prevent any personal data breach or misuse. The Company has appointed a data protection officer primarily to oversee and ensure that the Company’s collecting, processing, or disclosing of personal data of its individual stakeholders is following the law and/or other applicable laws and regulations.

2024 Targets for cybersecurity and data privacy protection	2024 Performances
Zero cyber threat incidents	0
Zero incidents or complaints regarding data security breaches	0
100% of employees receive comprehensive cybersecurity awareness training	100%

Long term goal: Strengthen adaptability to effectively respond to and manage emerging threats (cyber resilience).

Trading Partners and/or Suppliers

The Company has a policy of equitable and fair treatment of its trading partners and/or suppliers. Accordingly, the Company treats its trading partners and/or suppliers fairly, taking into consideration its own interest and on the basis of mutual benefit, and intends to avoid circumstances that may lead to a conflict of interest. The Company ensures that best practices are set for procurement from suppliers, and that the Company complies with all trade terms and conditions. In case the Company cannot comply with any conditions of a contract, the Company shall inform the trading partners and/or suppliers immediately to consider the ways to resolve the matter.

The following Company guidelines for the **selection of suppliers** shall be followed:

- Suppliers shall be selected based on their ability to service the needs of the Company in the most economical and efficient manner, taking into consideration their expertise and financial status. They should be in compliance with all applicable laws and related regulations.
- Considering the supplier ESG assessment results when selecting suppliers.
- When selecting suppliers, past performance and cooperation with the Company should be considered.
- The procurement department must conduct additional research and solicitation to increase its supplier base when the supplier base is not sufficient to meet the Company's needs.

Supply Chain Management [GRI 308-1, 414-1]

In order to promote sustainability and responsible practices in the supply chain, the Company established the supplier code of conduct as a guideline for suppliers to focus on the importance of conducting business with partners transparently, honestly, and fairly, along with sustainable business practices. The supplier code of conduct sets out minimum standards and practices for our suppliers relating to business ethics, labor practices, health and safety, and environmental protection.

The supplier code of conduct is regularly reviewed and approved by top management to ensure its relevance, effectiveness, and alignment with the Company's sustainability goals and industry best practices.

Suppliers ESG Programs

The Company is certified under the ISO 9001 International Quality Management System Certification, which underscores our dedication to the continuous development and improvement of operational procedures. This certification also applies to the selection and procurement processes for vessels, materials, fuel, stores, and other resources, ensuring that all our sourcing activities meet stringent quality and sustainability standards. To further enhance accountability, we undergo annual third-party audits to validate the effectiveness of our processes and compliance with global standards.

To ensure that new suppliers align with our ESG values, the Company has implemented a supplier questionnaire that evaluates environmental and social practices. Additionally, risks related to country-specific, sector-specific, and commodity-specific factors are carefully considered.

The Company leverages online supplier self-assessment questionnaire to conduct ESG evaluations of our significant tier 1 suppliers. This system enables suppliers to report their performance in key areas, including environmental impact, social practices, and governance policies. By gathering this data, we can identify opportunities for improvement and recognize high-performing suppliers.

The Company actively engages with supply chain partners to address ESG challenges and exchange best practices. Through open communication and collaboration, we support our suppliers in embracing sustainable practices and enhancing their ESG performance.

Target and Performance

The Company conducted the supplier ESG self-assessment to declare that they strictly adhere to all applicable laws, including anti-corruption; labor practice; and environmental protection laws and regulations relevant to their operations and industry.

A significant supplier refers to suppliers that are vital to business operations, such as major spares/engine suppliers, suppliers with high sales value (analyzed by 'spending analysis' model), and irreplaceable suppliers.

Targets:

- 100% significant suppliers received and agreed to comply with our supplier code of conduct.
- 100% significant suppliers assessed on ESG through an online supplier self-assessment system.

Description	2024 Performance
Total number of Tier-1 suppliers	702
Total number of significant suppliers in Tier-1	21
The percentage of total spend on significant suppliers in Tier-1	52%
The percentage of significant suppliers who have received and agreed to comply with the supplier code of conduct	100%
The percentage of significant suppliers assessed for ESG factors	100%

Procurement Policy

This procurement policy establishes a centralized procedure for requesting the procurement of products or services within the company. Furthermore, it seeks to enhance the efficiency of our purchasing and procurement process, ensuring that it aligns with and supports the company's goals and values while maintaining the required level of scrutiny in vendor selection.

The process of selecting, contracting, overseeing, and evaluating suppliers or service providers must adhere to principles of efficiency, cost-effectiveness, transparency, and social sustainability to ensure value for money.

The normal credit term is 30 days after delivery of the product or service, with changes based on negotiations with particular suppliers. The credit term may be decreased or extended from the regular 30 days as considered suitable. The average credit term was 30 days in 2024.

Taking care of the Company's suppliers is an important aspect of supply chain management (SCM) as it helps to maintain strong relationships and ensure a consistent flow of goods. The following guidelines outline the measures to ensure proper management of our suppliers:

- **Clear Communication:** Maintain clear and open communication with suppliers to understand their needs and expectations and to provide updates on changes in demand, schedules, and other relevant information.
- **Fair Treatment:** Treat suppliers fairly and with respect, and avoid unilateral changes to agreed terms and conditions.
- **Prompt Payments:** Make timely payments to suppliers to maintain good relations and avoid financial stress for the supplier.
- **Provide Feedback:** Provide constructive feedback to suppliers on their performance, and work with them to identify and implement improvements.
- **Collaborate:** Collaborate with suppliers on joint projects and initiatives to drive mutual benefits, and encourage innovation and continuous improvement.

Economic Performance ^[GRI 103-1]

The Company's senior management had set up goals for 2024 with targets that were both realistic and aggressive as follows:

- Daily earnings per vessel to be higher than the corresponding industry benchmark - Please refer to “**Market Segmentation/Benchmarking**” in the Board of Directors’ report for the Company’s performance in 2024 as against this target; and
- Daily operating costs per vessel to be at least 10% lower than the industry average as published by Braemar - Please refer to “PSL OPEX comparison with Industry” in the Management Discussion and Analysis for the Company’s performance in 2024 as against this target.

For 2025, the Company's senior management has set the same goals as for 2024.

The Company's operations contribute to national economies by generating economic benefits for different stakeholder groups. The related direct monetary flows indicate the extent of added value.

Direct Economic Value Generated and Distributed (Million USD) ^[GRI 201-1]

Description	2022	2023	2024
Direct Economic Value Generated			
Vessel operating income	259.85	146.41	169.82
Revenue from financial investments	0.41	1.27	2.63
Revenues from the sale of assets	0.00	0.00	4.02
Other income	0.19	1.56	1.33
Direct Economic Value Generated	260.45	149.24	177.80
Economic Value Distributed			
Operating costs (excluding crew costs)	21.63	23.94	22.22
Employee wages and benefits (including crew costs)	49.08	46.90	50.62
Finance costs (paid to lenders)	11.12	13.74	15.89
Dividend distribution	101.35	18.07	17.56
Tax payments to governments	0.09	0.14	0.17
Community investments	0.10	0.09	0.22
Other payments	2.17	3.20	4.38
Economic Value Distributed	185.54	106.08	111.06
Economic Value Retained as under	74.91	43.16	66.74
Depreciation, amortization, and impairment loss	37.57	41.06	43.31
Provisions	(0.01)	0.00	0.00
Transfer to (from) reserves	37.35	2.10	23.43

The above table is to provide transparency on the economic impact of the Company's activities. These figures are calculated after factoring in financial flows and tax payments. The Company does not implement any tax arrangements for the purpose of tax evasion. The payment, collection, and accounting of taxes comply with the country legislation in which the Company operates.

For financial performance: see the **Management Discussions and Analysis** sections in this annual report.

Sustainable Financing

PSL is committed to incorporating ESG principles as the Company recognizes that this is important for the long-term sustainability of the business.

In 2021, we signed a USD 85m sustainable financing facility with International Finance Corporation (IFC), EXIM Bank of Thailand and TMB Thanachart Bank.

In 2023, we signed another USD 105 million senior secured financing term loan agreement (“Agreement”) with the International Finance Corporation, Crédit Agricole Corporate and Investment Bank and Export-Import Bank of Thailand. This financing agreement requires that we comply with various IFC performance standards, which are monitored and evaluated yearly by the lending institution. IFC’s performance standards encompass the evaluation and management of environmental and social risks and impacts, labor and working conditions, efficiency of resources and pollution prevention, health, safety, and security of the community, as well as biodiversity conservation and the sustainable handling of living natural resources. The Company is obligated to establish and enforce procedures concerning the disposal of final waste by subcontractors, ensuring the safety of workers and crew during shore leave, and maintaining health and safety standards for the community during these periods. This also includes managing labor conditions for contractors, addressing gender discrimination, along with gender-based violence and harassment, and implementing measures to mitigate the impact of its ships on delicate coastal and marine ecosystems. Additional stipulations are that newly financed vessels must surpass the fuel efficiency of the average ship in the Precious Shipping fleet and limit the amount of coal cargo each vessel can transport.

In 2024, we issued sustainability-linked bonds (SLBs), guaranteed by the Credit Guarantee and Investment Facility (CGIF), a trust fund of the Asian Development Bank (ADB). The SLB issuance comprises two tranches, each valued at THB 680 million, with maturities of five and ten years, respectively, totaling THB 1.36 billion. This groundbreaking transaction, backed by CGIF’s AAA credit rating from TRIS Rating, enabled PSL to secure long-term funding, diversify its financial sources, and extend its debt maturity profile while reducing dependence on traditional bank loans. The bonds were privately placed with institutional investors and high net worth individuals, issued under the ASEAN+3 Multi-Currency Bond Issuance Framework (“AMBIF”). PSL’s issuance marks a historic milestone as the first SLB by a shipping company in Asia, underscoring our commitment to reducing carbon emissions. By 2034, we aim to achieve a 38.54% reduction in CO2 emissions per transport work, exceeding global standards set by the International Maritime Organization (IMO). This initiative aligns with our strategy to maintain operational efficiency while contributing to global climate action. The transaction highlights our dedication to sustainable financing as a core part of our business model, leveraging innovative financial solutions to advance decarbonization in the shipping sector.

Environmental Performance ^[GRI 103-1]

The Company recognizes that irresponsible shipping operations will inevitably lead to catastrophic environmental impacts, particularly in terms of air and/or water pollution. Therefore, the Company is firmly committed to the protection and conservation of the environment and ranks environmental considerations equally with commercial and operational factors.

However, over years of operations, the Company has realized that simply complying with regulations is not enough. What is needed is to go above and beyond the mandatory regulations by developing internal emergency response plans and quality control systems, constantly searching for new technologies to deploy to minimize our environmental impact, and demonstrate a firm commitment to reducing CO2 emissions and waste generation.

- Reduced CO2 emissions per ton DWT by 53.20% as compared with that in 2014.
- Formalized our Environment Protection Policy statement in line with the ISO 14001 requirement: It is the Company’s policy to conduct its operations in an environmentally sustainable manner to protect the environment and planet earth for a better life for the present and future generations (please see

details below in “ISO 14001 Certification”). We have achieved around 5% savings in energy/reduction in emissions per vessel by installing wake equalizing ducts on 20 vessels in the fleet.

- Environmental objectives and targets are set and assigned to all levels of employees in the Company, both ashore and afloat, with stipulated time frames and action plans. The Company recognizes that training and improving awareness at all levels is the key to achieving the environmental policy and seeks to accomplish these through the in-house training described hereunder.
- The Company has carried out an environmental impact analysis for all key shipboard and company activities and it has been found that the Company’s existing procedures can effectively reduce the environmental impact of any incident.
- In-house training programs are conducted for all staff (serving at the shore office as well as on vessels) on the Environment Management System (“EMS”) policy, objectives that have been set, and for general awareness. These training programs are conducted at the Company’s training center and through internal audit visits to vessels.
- The Company uses the best endeavors to influence and encourage all vendors associated with the Company to comply with environmental standards/good practices. The Company completed IHM certification for all the vessels in the fleet.

Compliance with Regulations and Conventions [GRI 307-1]

To have the Company’s ships sailing in international waters, the Company is legally required to be fully compliant with the regulations imposed by the International Maritime Organization (IMO) and other regulatory bodies.

Safety of Life at Sea (SOLAS), Maritime Regulations for Prevention of Pollution (MARPOL), Standards for Training Certification and Watchkeeping (STCW) and the Maritime Labour Convention (MLC) are the four pillars of the international maritime industry’s regulatory framework.

IMO’s latest regulations on GHG emissions

In line with the IMO’s initial strategy of achieving a reduction in the intensity of CO₂ emissions of up to 40% per transport work by 2030 and up to 70% by 2050, to reduce GHG emissions from ships, in June 2021 the IMO introduced two measures a) The Energy Efficiency Design Index for existing ships (EEXI) and b) Carbon Intensity Indicator (CII) and corresponding regulations that will affect 80% of the global fleet. The regulations came into force on 1 January 2023. The introduction of these new regulations has had a very major effect on the shipping industry as a whole and has challenged ship owners like never before.

In July 2023 (MEPC 80), IMO adopted the IMO strategy on reducing GHG emissions from ships in accordance with the agreed program of follow-up actions.

The revision focused on strengthening the levels of ambition for a better alignment with the goals of the Paris Agreement and on establishing a list of mid and long-term practical measures to “reach net zero GHG emissions by or around 2050”. An interim report of the comprehensive impact assessment (CIA) of the basket of mid-term measures was presented at MEPC 81 and a finalized version was submitted at MEPC 82. Most of the discussions took place the week prior to MEPC 82 during the 17th session of the Intersessional Working Group on Reduction of GHG Emissions from Ships (ISWG-GHG 17). The mid-term measures are expected to be adopted by an extraordinary MEPC session in the autumn 2025. Expected entry into force will be in 2027.

The IMO’s strategy envisages:

1. A reduction of the average carbon intensity (carbon dioxide (CO₂) emissions per transport work) of international shipping by at least 40% by 2030, pursuing efforts towards 70% by 2050, as compared to 2008 levels.
2. To reduce total annual GHG emissions from shipping by at least 50% by 2050 compared to 2008, while pursuing efforts towards phasing them out entirely within this century.

3. The uptake of zero or near-zero GHG emission technologies, fuels and/or energy sources which must represent at least 5%, striving for 10% of the energy used by international shipping by 2023.
4. The 2023 IMO GHG strategy also introduces indicative check points to reach net-zero GHG emissions from international shipping, namely:
 - a. to reduce the total annual GHG emissions from international shipping by at least 20%, striving for 30%, by 2030, compared to 2008; and
 - b. to reduce the total annual GHG emissions from international shipping by at least 70% striving for 80%, by 2040, compared to 2008.
5. To reduce GHG emissions from international shipping as soon as possible and to reach net-zero GHG emissions by or around 2050, considering different national circumstances, whilst pursuing efforts towards phasing them out consistent with the long-term temperature goal set out in Article 2 of the Paris Agreement.

The EEXI regulation stipulates upper limits on the GHG emission levels permitted based on the design parameters of ships such as maximum engine power, ship speed, the type of ship and the cargo carrying capacity of ships. To comply with this regulation, nearly 80% of the global fleet will have to limit the maximum power developed by the main engines by varying degrees, typically by between 20 and 50%.

CII on the other hand measures the actual emission levels of each vessel and requires ships to reduce the same year-on-year starting from 2019 until 2026 by 1% for each year between 2019 and 2023 and thereafter by 2% each year until 2026. The CII is scheduled for review by 1st January 2026, to ensure the continuity of the instrument, the committee considered as apriority the determination of annual CII reduction factors for the period from 2027 to 2030. Due to the wide range of viewpoints and the significant number of proposals submitted during this session to amend the CII metrics, the Committee decided to adopt a two-step approach to its revision. This will allow for sufficient time to gain practical experience with its implementation, based on enhanced DCS data:

1. **“Minor/urgent” modifications** (e.g., Z factors, manifest errors, correction factors for specific ship types, such as cruise passenger ships, strengthened SEEMP for a more accurate assessment of individual ships’ operational energy efficiency): to be completed by January 1, 2026.
2. **“Major/Structural” modifications** (e.g., metrics, equations, any correction factors, voyage adjustments, reference lines): effective from January 1, 2026, taking into consideration the adoption of mid-term measures at MEPC 83.

Fifth IMO GHG Study

The Fifth Study would include annual GHG emission estimates for the year 2008 (baseline) and for the years 2018- 2024. Noting that the previous studies were based on Tank-to-Wake (TtW) emission factors, the Fifth Study would include inventories for Well-to-Wake (WtW) emissions based on the Life Cycle Assessment (LCA) guidelines. To demonstrate shipping’s overall energy efficiency, the Fifth Study would also provide a comparison of the carbon intensity of shipping with other transport modes. Additionally, in the absence of further IMO guidance on how to differentiate between domestic and international voyages and how to categorize ship types/sizes, the Fifth Study would include emission estimates using both 'vessel-based' and 'voyage-based' calculation methodologies. MEPC 82 developed draft terms of reference for the Fifth IMO GHG Study, for approval by MEPC 83. Subsequently, MEPC 84 will be expected to consider an interim report on the Fifth Study. A final report will be submitted at MEPC 85 with view to approval.

Some of the other regulatory instruments are:

- International Convention for the Control and Management of Ships’ Ballast Water and Sediments 2004. This Convention entered into force on 8 September 2017
- International Maritime Dangerous Goods code (IMDG)
- International Maritime Solid Bulk Cargoes code (IMSBC)

- International Convention on the Control of Harmful Anti-Fouling Systems 2001
- International Code for Ships Operating in Polar Waters (Polar Code)
- International Convention on Civil Liability for Bunker Oil Pollution Damage 2001
- Nairobi International Convention on the removal of Wrecks 2007 (the Wrecks Convention)
- International Convention on Load Lines (CLL) – Entry into force on 21st July 1968
- International Convention on Civil Liability for Oil Pollution Damage (CLC) - Entry into force on 30th May 1996
- International Convention on Civil Liability for Bunker Oil Pollution Damage (BUNKER) - Entry into force on 21st November 2008
- The Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships - Entry into force on 26th June 2025.
- National, Regional and Local regulations are more stringent than the international requirements like US environment protection acts, European Union air pollution directives etcetera

International Safety Management Code (ISM Code): Learning from various marine casualties over the years, ISM Code was introduced by the IMO, to enhance the safe operation of ships and pollution prevention. The ISM Code, which applies to passenger ships, oil tankers, chemical tankers, gas carriers and bulk carriers, became mandatory on 1 July 1998 however, the Company implemented the ISM code three years in advance of the deadline in 1995.

The Code is implemented on board the vessels and offices ashore to provide an international standard for the following objectives:

1. Ensure safety at sea
2. Prevent human injury or loss of life
3. Avoid damage to the environment

Below is a summary of the Company's ISM Code violations viewed against vessel operating days from 2020 to 2024. For this analysis, violations are considered as any incident that results in a fire, explosion, serious injury or death to crew members, collisions, groundings, etc. root-cause of which is determined to be a systems-failure. The Company has analyzed each violation in detail to identify the root-cause and initiate appropriate corrective and preventive actions. The results are then conveyed to all senior employees as case-studies to avoid recurrence. We are happy to report that in 2024, we did not have any incident which can be described as an ISM violation.

Description	2020	2021	2022	2023	2024
Operating Days	13,176	13,140	13,502	13,870	13,787
ISM Violations	1	2	1	0	0

As per the ISM code requirements, annual internal audits are conducted on board by a dedicated team of qualified and experienced ship auditors reporting directly to the Managing Director. All incidents of non-compliances, accidents and near misses are thoroughly investigated and analyzed, after which procedures are reviewed immediately. Furthermore, all lessons learned from various accidents and near miss incidents are shared with organizations like Marine Accident Reporting Scheme (MARS) for the mutual benefit of the industry and to enhance maritime safety in general. The Nautical Institute, London, which publishes the MARS reports every month, has appreciated the Company's participation in MARS and for promotion and sharing "lessons to learn" incidents and case studies from its own fleet for the benefit of the industry. This follows the Company's highest ideals of quality management and social responsibility.

In addition to the above, the Company has undertaken the following initiatives to limit ISM Code violations through preventative action:

- **Enhanced staff training:** An increasing trend in the industry is that port state control inspectors are getting more stringent in their enforcement of the ISM Code. As such, the Company's ship staff are regularly tested on their ISM knowledge. They are also encouraged to share experiences from across the fleet, for everyone's benefit.
- **Enhanced maintenance of vessels:** The head office has stressed that all machinery checks, and inspections be carried out with greater frequency, and any differences observed by ship staff are immediately reported. Also, the Company's management has stressed that internal auditors enforce the Code more stringently than external inspectors, to achieve a higher level of compliance and safety for the Company's ships, cargoes, and crew.
- **Timely warnings and reminders to vessels:** Vessels entering North American and Australian waters often require additional certificates for compliance with local regulations. As a preventative measure, the head office gives instructions to the crew well in advance of the vessel's arrival in such waters to ensure that all documents are in order and the vessel is always in full compliance with regulations.
- In 2012, the Company also became a member of RightShip, an independent ship-vetting organization formed by BHP Billiton, Rio Tinto, and Cargill, three of the world's largest trans-national corporations and major users of sea transport services. RightShip's ship vetting model is known for its exacting and stringent standards and focuses on ship safety (including crew and cargo) and marine environmental protection; and the Company's membership is yet another affirmation towards sustainability.

The Company has set an internal target of zero ISM Code violations resulting in injury or death, fire, collisions or groundings or any vessel detention resulting from an ISM Code violation.

International Ship and Port Safety (ISPS) Code: Considering changing security circumstances across the globe, the International Ship and Port Safety Code was adopted in 2004. The code is an amendment to the SOLAS Convention that encompasses a greater level of security arrangements for ships and ports. The code assigns responsibilities to governments, shipping companies, shipboard personnel, and port/facility personnel to "detect security threats and take preventative measures against security incidents affecting ships or port facilities used in international trade" (ISPS Code Part A 1.2.1).

In implementing the ISPS Code, the Company has developed standard operating procedures for vessels entering ports prone to drug smuggling and stowaways. This includes employing sniffer dogs and armed guards where appropriate. Furthermore, standard policies are employed whenever vessels call European, British, American, Australian, or Canadian ports.

Annual internal reviews are conducted on preventative measures including the performance of the companies providing the sniffer dogs and guards. Like the ISM audits mentioned above, these are carried out by a dedicated team of qualified and experienced ship auditors reporting directly to the Managing Director. All incidents of non-compliance, accidents and near misses are thoroughly investigated and analyzed. In the event of any failures of the standard operating procedures, reviews are immediately conducted.

Below is a summary table showing the number of ISPS Code violations and the number of vessel operating days from 2020-2024. As in the case of ISM, the Company sets a target of zero violations in respect of ISPS Code. The Company will strive to have no ISPS violations in 2025.

Description	2020	2021	2022	2023	2024
Operating Days	13,176	13,140	13,502	13,870	13,787
ISPS Violations	1	1	0	0	3

MARPOL: is one of the most important environmental regulations in the maritime industry and aims to preserve the marine environment through the complete elimination of pollution by oil and other harmful substances and the minimization of accidental discharge of such substances. This convention is divided into 6 distinct sub-areas (IMO, 2011):

1. Regulations for the prevention of pollution by oil
2. Regulations for the control of pollution by noxious liquid substances in bulk
3. Regulations for the prevention of pollution by harmful substances carried by sea in packed forms, or in freight containers, portable tanks or road and rail tank wagons
4. Regulations for the prevention of pollution by sewage from ships
5. Regulations for the prevention of pollution by garbage from ships
6. Regulations for the prevention of pollution by air from ships

There is a company-wide acknowledgment that the risk posed to the marine environment from a marine incident is severe. The Company has adopted a great deal of preventative measures to limit this risk factor. The first is to limit human error, and the second is to maintain the vessel's machinery to the highest possible standard.

To limit human error, the Company has developed an internal training program for all seagoing staff. This includes simulator exercises designed to improve navigational skills and awareness by putting officers through various weather, sea, and port conditions. Furthermore, the Company also ensures that all engineers employed on ships with new modern engines have undergone engine model specific rigorous training program aimed at enhancing their ability to maintain engines and avoid any fuel or sludge discharge or any breakdowns.

Description	2020	2021	2022	2023	2024
Operating Days	13,176	13,140	13,502	13,870	13,787
MARPOL Violations	0	0	0	0	0

The above summary shows the number of MARPOL violations and vessel operating days from 2020 to 2024. We are happy to report that there was no MARPOL violation in 2024. As always, the Company aims to have zero MARPOL violations in 2025.

Other regulations: Following are some of the regulations coming into force within the immediate future or regulations which have become recently effective:

- IMDG Code and IMSBC Code require more stringent requirements to be met for carriage of certain dangerous cargo.
- The International Code for Ships Operating in Polar Waters (Polar Code) requires vessels to have enhanced safety and pollution prevention measures while trading in the harsh and sensitive polar region.
- STCW 2010 (Manila amendments) - effective from 1 January 2017 - requires documentation for seafarers having undergone more stringent revised training requirements for competency and proficiency.
- MLC 2006 Amendment 2014 effective from 18 January 2017 - requires a certificate for financial security in respect of Seamen repatriation costs and other liabilities.
- Vide IMO resolution MEPC.280 (70), since 1 January 2020 all ships have been required to mandatorily use fuel oil with sulphur content no more than 0.50% m/m (however, in SOx Emission Control Areas – ECA zones – a lower limit of 0.1% m/m Sulphur applies). IMO resolution MEPC 73 prohibited the carriage of non-compliant fuel oil on board ships after 1 March 2020 - unless the ship uses an alternative compliance method (such as an exhaust gas cleaning system or “scrubber”) accepted by the flag State as an alternative means to meet the sulphur limit requirement. Together, these are commonly referred to as the ‘IMO 2020’ regulations. The IMO 2020 regulations aim to significantly reduce the amount of sulphur oxides emanating from ships and should have major health and environmental benefits for the world, particularly for populations living close to ports and coasts.
- The Company fully complies with the IMO 2020 regulations, and all vessels in the Company's fleet have completed the required transition to the use of compliant low sulphur fuel oil for the engines and boilers.

- Regulations applicable at European Union (EU) ports. All vessels calling EU ports have an approved vessel specific CO2 Monitoring, Reporting and Verification Plan (MRV). A Document of Compliance is to be available on board.

All PSL ships meet this requirement

1. Amendments to MARPOL Annex VI that make the data collection system (DCS) for fuel oil consumption of ships mandatory were adopted at the 70th session of the MEPC 70 held in October 2016, and came into force from 1 March 2018 {IMO Resolution MEPC.278 (70)}. According to this regulation, for ships of 5,000 gross tonnage and above engaged in international voyages, the data collection was required from calendar year 2019, with first reporting to be made by early 2020. Upon verification of the submitted data, the flag administration, or the Recognized Organization (RO) issues to the ship a Statement of Compliance related to fuel oil consumption and issue the CII ratings of the respective vessels. Finally, the Flag Administration submits aggregate data to the IMO, which will maintain an anonymized IMO ship fuel oil consumption database.

This requirement is in line with the EU CO2 MRV system above and forms a part of the existing Shipboard Energy Efficiency Management Plan (SEEMP – Part II and Part III).

All the vessels in PSL's fleet have already been issued with Statements of Compliance by a Recognized Organization (Class NK in our case) after verification of all the data that was compiled over the entire year and submitted.

2. With effect from 31 December 2020, EU regulation on ship recycling has been applicable to foreign ships in EU waters. Ships are to comply with the Inventory of Hazardous Material Code (IHM). The Company has obtained the IHM certification well in time for all the vessels in the fleet.
3. **Sanctions** impose partial or blanket prohibition on trading with certain countries, restrictions on the export or import of various goods, restrictions on the transfer of certain technologies and asset-freezes. The four principal sanctions regimes to consider are those of the UN, USA, EU, and UK.

Sanctions have a disproportionately high impact on the shipping industry and shipowners are particularly vulnerable to the risk of sanctions' violation. Ships trade worldwide, often with varying trading patterns. The contractual chain, from lenders or lessors through charterers and sub-charterers to cargo interests may be long and there is often no direct contractual nexus between all parties in the chain. So, sanctionable activities may be difficult to detect and may be disguised by illicit practices.

Compliance with sanctions regime is not easy since sanction regulations are vague and complex. On the other hand, potential consequences of non-compliance even if inadvertent can be draconian, including criminal liability (and imprisonment), significant fines, exclusion from the US/UK/EU banking system and reputational damage. Insurers are also barred from offering any support in the event a vessel is trading in breach of sanctions and all insurance covers would be withdrawn.

PSL has a clear policy to comply with all applicable sanctions regimes, set out as under:

- All our ships are employed in lawful trades only.
- PSL ships never switch off their Automatic Identification System ('AIS'), even while transiting piracy high-risk-areas, so our ships' positions are known and can be verified at all times.
- All the contracts with charterers pursuant to which our ships are employed include the BIMCO sanctions clause or equivalent, whereby the charterers warrant, at the date of this charter party and throughout its duration, they and any sub-charterers, shippers, receivers, and cargo interests are not a sanctioned party; and that charterers shall not give any orders for the employment of the vessel which involves a sanctioned party or a sanctioned activity.
- In addition, the contracts also include a trading exclusion clause which lists out all areas/ countries known to fall under sanctions.

4. Maritime Cyber Security Management

In the 'Interim guidelines for implementation of maritime cyber risk' published by IMO, it has been agreed that, no later than the first annual verification of the Company's Document of Compliance after 1 January 2021, the cyber risk management system should be incorporated into the safety management system. We have already completed this process and a 'Cyber Security Manual' has been included in the Company's Shipboard Operating Procedure (SOP).

Protection and conservation of the environment

ISO 14001 Certification

PSL's Fleet is technically managed by Great Circle Shipping Agency Ltd, Bangkok, a wholly-owned subsidiary of PSL that is ISO 9001 and ISO 14001 certified, ensuring that PSL's fleet operates under a robust Environmental Management System (EMS). This certification confirms that all vessels in our fleet are managed in full compliance with international environmental standards, making Great Circle Shipping Agency Ltd one of the very few dry bulk ship management companies to achieve such a distinction.

With an increasing demand for environmental conservation the Company has established an **"Environment Protection Policy"**. In addition to minimum requirements based on international conventions and regulations, the Company implements an Environment Management System (EMS) complying with the ISO 14001 standards. ISO 14001 provides a framework for a holistic, strategic approach to the Company's environmental policy, plans and actions, and demonstrates that the Company is an environmentally responsible organization. The Company first obtained the certificate of environment management systems registration, issued by Class NK, in the year 2009 as per the standards of ISO 14001:2004. The standards are being upgraded periodically and accordingly the Company's present certificate is as per ISO 14000:2015 standards. The EMS supplements the quality management system, meeting ISO 9001 standard, and the ISM code. This integrated management system is known as Safety Quality and Environment Management System (SQEMS). According to the SQEMS, the technical manager, who also heads the management company, is appointed as the "management representative" and is also the "designated person" for the purpose of the ISM code. Most dry bulk shipping companies do not obtain this certification which is the exclusive preserve of tanker companies where protection of the environment is the paramount issue. We, however, choose to hold ourselves to a much higher non-mandatory standard.

Objectives of the EMS

- Minimize pollution caused to the environment.
- Comply with all national, international legislations and other regulations pertaining to pollution of the environment.
- Establish procedures for the efficient use of natural resources.
- Improve environmental awareness of all employees.
- Ensure effective monitoring of the environmental performance of the Company is carried out.
- Ensure continual improvement of environmental performance and pollution prevention.

Raising awareness of environmental management

The Company strives to promote a culture of environmental stewardship by actively engaging and raising awareness among both internal and external stakeholders about our environmental management policy and the impacts of our operations.

Internal Awareness Initiatives

- Regularly conducted training sessions and workshops ensure that seafarers understand the environmental management policy, and key environmental impacts.
- The training team utilizes internal platforms, such as newsletters, and on site/online trainings to share updates, success stories, and best practices related to environmental management.

External Awareness Initiatives

- Stakeholder Engagement: the Company engages with suppliers, customers, and business partners to communicate our environmental management policies and encourage alignment with sustainable practices.
- We raise awareness of environmental issues and promote collective action through campaigns, and partnerships with local communities and NGOs.

Through periodic review and continual improvement of our SQEMS, the Company hopes to elevate environmental performance over the coming years and make significant contributions to conservation of the environment and reducing the Company's carbon footprint. Another tangible effort being made by the Company to reduce the environmental impact of the business is the adoption of new environmentally friendly technology on new ships acquired

The following are the targets and performance outcomes of environmental compliance [GRI 307-1]

Description	Performance outcomes of environmental compliance					2025 Target
	2020	2021	2022	2023	2024	
No. of cases brought through dispute resolution mechanisms for non-compliance	0	0	0	0	0	0
No. of non-monetary sanctions for non-compliance	0	0	0	0	0	0
Monetary value of significant fines for non-compliance	0	0	0	0	0	0

Having successfully outlined and explained the significant maritime regulations that safeguard the environment and those that will soon play a significant role, the next section details the Company's internal environmental control system.

Sustainable Energy Practices

The Company is dedicated to advancing sustainable energy practices, underscoring our responsibility to both the environment and our stakeholders. We prioritize the optimization of energy usage across all operations by adopting innovative technologies and processes aimed at reducing consumption and enhancing efficiency.

We actively seek out and implement renewable energy solutions to decrease our reliance on fossil fuels and promote energy sustainability. Each year, we conduct a greenhouse gas (GHG) inventory, which is verified by a third party, to accurately measure the carbon emissions from our operations.

Furthermore, we are focused on developing a green, energy-efficient fleet by systematically replacing older ships with newer designs and retrofitting existing vessels.

Use of New Technology and Innovations

The Company's commitment to protection and conservation of the environment and prevention of pollution is reflected in the newbuilding vessels that the Company ordered and took delivery from various shipyards in China as explained in this annual report. These vessels were built to comply with all regulations presently in force and those which are known to become applicable in the foreseeable future. In addition, wherever practical, the vessel's specifications exceed those mandated by regulations, both for ease of operations as well as to enhance the vessels' ability to protect and conserve the environment.

“Green” features of the newbuilding ships that we took delivery and placed order in the recent past are:

1. Double hull construction is utilized (for 40,000 DWT bulkers) to minimize environmental pollution in case of accidental hull damage.
2. The vessels' hull form was perfected after several rounds of careful design analysis using the latest

technology, with a view to arrive at the most optimal combination of ship-size and shape to achieve the desired speed at minimum fuel consumption. The fuel consumption of these vessels is far less than comparable sized older ships. Such low fuel consumption is achieved by combining a highly fuel-efficient main engine with a new design of slow-speed, and high-efficiency propeller on an optimized hull form.

3. To reduce carbon footprint and increase thermal efficiency of these ships, the exhaust of auxiliary engines is routed through the composite boiler. This improves waste-heat recovery and reduces the consumption of oil for the burner.
4. These ships were fitted with onboard treatment plants for ballast water which fully comply with latest IMO regulations. These treatment plants are designed to remove, render harmless and thereby prevent the transfer of harmful bacteria and invasive species of micro-life through ballasting and de-ballasting operations between ports.
5. Engines fitted follow the required latest Nitrogen oxide (NOx) emission standards.
6. The 40,000 DWT ships have flush, box-type ship-sides for cargo holds. This reduces the accumulation of cargo residues in the holds, thereby reducing the need for harmful cleaning chemicals for removal of the same, since the holds can be cleaned using water only.
7. Deep-well sump pumps for main engine oil circulating system - this reduces the overall quantity of lubricating oil required for the main engines, which in due course reduces the quantities of waste oil.
8. The vessels were fitted with large incinerators, well above the requirements of MEPC 76 (40) standards, to burn waste and sludge. This ably supplements the Company's garbage and waste management system which is already in operation on all the Company's vessels.
9. Larger capacity bilge water/sludge storage tanks - these enable environmentally friendly waste disposal ashore by allowing more flexibility in selecting the best waste disposal facilities ashore separately for oily water and sludge.
10. Improved bio-based sewage treatment plants are installed on the ships.
11. Ships follow the IMO's "Ship Recycling Convention": The Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, 2009, was adopted in May 2009 and will enter into force on 26 June 2025. It is aimed at ensuring that ships, when recycled after reaching the end of their operational lives, do not pose any unnecessary risk to human health and safety or to the environment. Though the convention has not yet come into force, our fleet is already compliant with this requirement and all ships hold an International Certificate of Inventory of Hazardous Material (IHM).

Below are a few significant developments in respect of new ship design and construction. The Company will consider these as far as practicable when acquiring new ships in the future.

Eco-friendly ships

Shipping is one of the cleanest and greenest industries among all international transport industries. It is also an environmentally friendly and fuel-efficient industry. It is estimated that shipping carries roughly 90% of world trade, and yet, according to the latest figures published in 2024, international shipping is responsible for just 2.5% of global CO₂ emissions. Nevertheless, the shipping industry continues to look for ways to reduce that figure further.

The shipping industry has not yet solved all its green issues. The present endeavors of the industry and the IMO are two-fold:

- For existing vessels: Reduce the intensity of carbon emissions by imposing restrictions on design as well as operational parameters. The introduction of EEXI and CII regulations by the IMO in June 2021 – as described above- does just that.
- For new vessels: Use of improved hull designs and more fuel-efficient engines and technology.

Climate Change and Green House Gases Emissions [GRI 302-4, 305-5]

Green House gas emissions and sulphur dioxide pollution have reached hitherto unseen heights and focus on the environment has become even more important. Organization's world-over have become more environment-conscious, and shipping is no exception. The IMO has taken positive steps in this matter by effecting several legally binding regulations to be adopted by the shipping industry.

Apart from the existing emission control areas that require ships to burn fuels that contain no more than 0.1% sulphur, another global regulation that entered into force on 1 January 2020 requires that the sulphur content of marine fuel which is burnt in engines and boilers to be capped at 0.5%. The availability and quality of low sulphur fuel oil is one of the challenges that was expected to be faced by the industry in the year 2020. The other option, being the fitment of scrubber units on vessels, besides being both technically and financially challenging, is further in doubt as a suitable solution, as these are designed to remove sulphur pollution from the atmosphere and transfer the same as a pollutant to the seas. Many ports have banned the use of open-loop scrubbers because of the environmental risks associated with discharging the scrubber washwater from open-loop scrubbers into the ocean. The washwater from open-loop scrubbers contains high levels of pollutants, including toxic chemicals and heavy metals, which can harm marine life and the wider ecosystem.

The Company is committed to sustainable long-term measures to improve the environment and has therefore opted for operating the vessels with more expensive compliant fuels. The vessels had prepared to operate with this compliant fuel by cleaning all fuel tanks, sub-dividing large fuel tanks into smaller tanks capable of handling smaller parcels of fuel without mixing, using suitable additives and lubricants, and conducting pre-joining and on-board on the job training for the crew to meet these challenges.

In April 2018, the IMO adopted a resolution on the strategy of a 50% reduction of total GHG emissions by 2050, as compared to the levels of the year 2008. To achieve this, like the EU MRV, which has been implemented from January 2018 for all vessels operating in the EU region, the IMO has made it mandatory from 1st January 2019, for all vessels to implement the IMO DCS. This requires vessels to report annual fuel oil consumption worldwide to IMO through the flag administration. The regulation also requires the existing SEEMP to be updated and certified by the flag authority or a recognized organization. This system is expected to generate reliable data to monitor and assess the progress of efforts to reduce the emission of GHGs.

From January 2013, the Company's vessels have implemented the SEEMP required by MARPOL Annex VI regulations. All vessels have implemented both the EU MRV and IMO DCS, and the data on fuel consumed and distances steamed during the year are reported to the IMO and the EU after verification by a recognized organization.

To formalize the Company's commitment to preserving and conserving the environment and to reducing carbon footprint, the Company completed the transition audit for ISO 14001 on 30 August 2017 and received the new ISO 14001: 2015 certification from Class NK of Japan. Prior to this transition, the Company was holding the ISO 14001:2004 certification which was issued on 18 December 2009. The ISO 14001:2015 provides a framework for a holistic and strategic approach to the Company's environmental policy, plans and actions, and will demonstrate that the Company is an environmentally responsible organization, and that all operations are conducted in an environmentally sustainable manner.

From 2014, as part of the Company's commitment to the reduction of GHGs, all vessels have been maintaining records of carbon dioxide emissions, from burning fossil fuel in the engines and boilers. The average carbon intensity per transport, measured in grams CO₂ emitted per tonne-nautical mile was 12.884 gm CO₂ in 2014. Over the years, this has improved, and the figure for 2024 is **6.03 gm of CO₂ per tonne-nautical mile.** It is to be noted that this is the average for the entire fleet of 40 vessels. The Company also operates eight highly fuel efficient 'Eco' ultramax vessels where in 2024 we have achieved **4.29 grams of CO₂ per tonne –nautical mile.**

Emissions Data from PSL Vessels [GRI 302-1, 305-1, 305-2, 305-4, 305-7]

Categories	Description	Unit of Measure	2021	2022	2023	2024
CO2 Emissions	Total CO2 emitted by all the vessels in the fleet	metric tons (t)	521,648.64	491,824.02	525,591.79	479,152.98
	Average Carbon Intensity Index (CII)	grams/tonne-mile	7.42	7.14	6.80	6.03
	Note: Method for calculating the CII and after the figures for total fuel consumed and distances sailed by each vessel were verified by the Recognized Organization (ClassNK for PSL's fleet)					
GHG Emissions	Direct GHG emissions (Scope 1) (The CO2 equivalent generated from voyage charters*)	t-CO ₂ e	49,059	5,341	3,906	2,904
	Direct GHG emissions (Scope 1) (The CO2 equivalent generated by the Company's vehicles)	t-CO ₂ e	15	25	23	23
	Direct GHG emissions (Scope 1) (The CO2 equivalent generated by the refrigerant on board**)	t-CO ₂ e	-	5,661	6,886	8,596
	Total Direct GHG emissions (Scope 1)	t-CO ₂ e	49,074	11,027	10,815	11,523
	Indirect GHG emissions (Scope 2) (Purchased electricity - Onshore operations)	t-CO ₂ e	64	68	87	94
	Total GHG emissions (Scope 1 & Scope 2)	t-CO ₂ e	49,138	11,095	10,902	11,617
	GHG emissions (Scope 3) (The CO2 equivalent generated from time charters***)	t-CO ₂ e	477,647	491,254	526,782	480,897
	Total GHG emissions (Scope 1, Scope 2 & Scope 3)	t-CO ₂ e	526,785	502,349	537,684	492,514
	Note:					
	*Voyage charter is considered as Scope 1 **We began reporting refrigerants on board from 2022 ***Time charter is considered as Scope 3 1. Scope 1 & 3 were calculated based on; - CO2 emission from mass-based EF per fuel type as given by the 2018 EEDI Guidelines (IMO, 2018a) - CH4 and N2O emission from default emission factor of water-borne navigation (IPCC2006, Volume2 Chapter3 Mobile Combustion) - Global Warming Potential (GWP) as per the IPCC Fifth Assessment Report (AR5, 2014) 2. Scope 2 was calculated using the site-based method. Grid emission factor adopted from the latest Electricity Emission Factor published by Thailand Greenhouse Gases Management Organization (TGO); Thai National LCI Database (2016-2018), TIISMTEC-NSTDA, AR5 3. The numbers and calculation methodology of GHG emission data from 2022 to 2024 have been verified by SGS (Thailand) Limited					

Categories	Description	Unit of Measure	2021	2022	2023	2024
Energy Consumed	(1) Total energy consumed (Total energy consumed by the fleet)	Gigajoules (GJ)	6,960,682.8 GJ	6,705,772.8 GJ	7,013,466 GJ	6,457,946 GJ
	(2) Percentage heavy fuel oil	Gigajoules (GJ)	6,259,806 GJ from VLSFO	5,814,816 GJ from VLSFO	6,291,810 GJ from VLSFO	5,853,316 GJ from VLSFO
		Percentage	89.90% of total energy generated was from VLSFO	86.70% of total energy generated was from VLSFO	89.71% of total energy generated was from VLSFO	90.64% of total energy generated was from VLSFO
Energy Efficiency Design Index (EEDI)	Average Energy Efficiency Design Index (EEDI) for new ships (Average for 10 vessels)	Grams of CO ₂ per ton-nautical mile	4.062	4.062	4.062	4.062
Electricity	Electricity consumed (Purchased electricity - Onshore operations)	Kwh	126,106	135,025	173,193	186,252
Other Emissions to Air	(1) NO _x (excluding N ₂ O) (Based on accepted empirical values for emission factors)	Metric tonnes (t)	8,263 approx.	7,954 approx.	8,325 approx.	7,669 approx.
	(2) SO _x (Assumption of 0.5% in VLSFO consumed and 0.1% in LSMGO consumed)	Metric tonnes (t)	1,523	1,426	1,531	1,422
	(3) particulate matter (empirical)	Metric tonnes (t)	612 approx.	574 approx.	616 approx.	571 approx.
Implemented Ballast Water	(1) Exchange	Percentage	25% approx.	16% approx.	0%	0%
	(2) Treatment	Percentage	75% approx.	84% approx.	100%	100%
Spills and Releases to the Environment	(1) Number	Number	Nil	Nil	Nil	Nil
	(2) Aggregate Volume	Cubic meters (m ³)	Nil	Nil	Nil	Nil

GHG Emission Reduction Targets and Performances in Alignment with the SLB Framework

In 2024, the Company became the first Asian Shipping Company to successfully issue a Sustainability-Linked Bond (SLB). Lloyd's Register Pte Ltd, Singapore, reviewed our Sustainability-Linked Financing Framework and issued a Second Party Opinion. This sustainability-linked bond and its underlying targets highlight our strong commitment to sustainability. By leveraging the unique KPIs of our SLB, we ensure alignment between our performance, long-term sustainability objectives, and industry-specific targets.

Our KPI is to achieve a minimum 38.54% reduction in CO₂ emissions per transport work by 2034, using 2019 as the baseline. This ambitious target positions PSL as a leading force in sustainability within the maritime industry. Moreover, this target aligns with the IMO's interim target prescribed reduction in carbon intensity targets for international shipping by 2030.

Description	2019 (base year)	2020	2021	2022	2023	2024
KPI Target: Average CII (AER) CO ₂ Emissions/Transport Work (gCO ₂ /tonne-nautical mile)	7.55	-	-	-	-	6.66
Actual Results: Average CII (AER) CO ₂ Emissions/Transport Work (gCO ₂ /tonne-nautical mile)	7.55	7.19	7.42	7.14	6.80	6.03
% reduction with respect to base year	-	4.77	1.72	5.43	9.93	20.13

This reduction of CO2 emissions is the result of several measures which have been adopted by the Company. Of these, a few important ones are as follows:

- Improved voyage planning with reduced ballast passages and port stays.
- Maintaining optimized speed so that the vessels are just in time for the required schedules.
- Weather routing to take advantage of ocean currents and optimized routes avoiding rough weather.
- Optimizing speed and operating the vessels on eco-speeds wherever possible. Maintaining optimized trim to improve performance.
- Maintaining the external underwater hull and propeller in clean condition so that frictional losses through the water are kept to a minimum.
- Employing efficient hull coatings (anti-fouling paints) which ensure that the hull is maintained in clean condition.
- Avoiding wastage of electric power on board.
- Maintaining the diesel engines and other fuel-burning equipment in an efficient condition.
- Disposing waste sludge generated by Fuel purification to shore facilities, despite the costs, rather than using incinerators on board.
- The performance of some vessels has been improved by retrofitting fuel-saving devices like the mewis duct, pre-shrouded vanes, hub vortex absorbed fins and replacing the propeller with Eco-propellers.

Further, several older and less fuel-efficient vessels of the fleet were replaced by the 'Eco' vessels. 'Eco' operation is made possible by larger cargo hauls, reduced fuel consumption on account of better hull lines, lower lightship and very efficient electronically controlled engines and optimized use of waste heat from the engines (even the exhaust gases from the auxiliary engines is diverted through the boiler to use the available heat). Our new eco vessels emit approximately 35% less CO2 per unit transport work as compared to the older vessels in the fleet. At the same time, the Company seriously evaluates all new developments carefully, as several builders' claims are often exaggerated to get fresh business and when technical parameters such as the calorific value of fuel, design and scantling draft and 'sea margins' are taken into consideration, the so-called benefits simply do not exist, or they are not cost-effective. In any event, the Company looks very closely at the machinery on all new acquisitions, whether new buildings or secondhand vessels, and monitors their performance very carefully to arrive at optimum speed and consumption variables, while ensuring that emissions are kept to a minimum.

We have made a substantial reduction in our carbon footprint and this is expected to improve further through optimization measures like shorter ballast passages and port stays, larger cargo hauls and slower steaming. In the year 2014, the average carbon intensity per transport work was estimated at 12.884 Grams CO2 per Tonne – Nautical Mile, and in the year 2024, it was estimated at 6.03 Grams CO2 per tonne – nautical mile; which equates to a reduction of 53.20%.

The Company is also a member of the Getting to Zero Coalition, which aims to place zero-emission vessels in operations by 2030. As a member of the coalition, the Company is carefully monitoring developments in technology in the marine field, which offers vessels that operate with zero emissions. The range of sources of power with zero emissions, is extensive, but largely in the research stage. The feverish pace of green technology aims to decarbonize marine transport by offering alternative low-carbon and zero-carbon fuels like biofuels, methanol, ammonia, hydrogen and innovative renewable energy options like wind power, solar power, and electric propulsion. LNG is considered by many to be a transition fuel on the pathway to the zero-carbon future of the shipping industry. It has virtually no SOx and very low NOx emissions, and as compared to fuel oil has almost a 30% reduction in carbon dioxide emissions. However, LNG is mostly made up of methane, which is a highly potent GHG, far more harmful to the environment than CO2. The use of LNG from "well to wake" involves leakage of methane to the atmosphere, referred to as 'methane slip'. It is estimated that for the same amount of emission, methane warms the planet 30 times more in a short span of 12 years, as would CO2 in a hundred years. Hence, until a solution is found to address or substantially reduce 'methane slip', LNG cannot be considered a viable option to reduce GHGs.

The Company's commitment to the environment led to the early induction of 'ECO' vessels. Similarly, it is expected that as soon as commercially viable options of these next generation zero emission 'green' vessels become available, they will also form part of our fleet.

Carbon Neutral



Photo: Mr. Pongpanu Svetarundra, Chairman of the Board of Directors, TGO, presenting the Carbon Neutral certification to Captain Pattana Sriroon, Head of PSL's Fleet Personnel Department, at a TGO awards ceremony held on 30 July 2024.

We are proud to announce that Precious Shipping's operations have been certified carbon neutral by the Thailand Greenhouse Gas Management Organization (TGO). As an autonomous government body responsible for greenhouse gas emissions reduction in Thailand, TGO has recognized our efforts in mitigating our environmental impact. We achieved carbon neutrality certification for our operations by

- measuring the carbon footprint of our operations and receiving third-party validation for it
- offsetting our scope 1 and scope 2 emissions for the year 2023 by supporting a renewable energy project in Thailand

In addition to the carbon-neutral certification, we have also achieved the Carbon Footprint for Organization certification, which acknowledges our comprehensive carbon reporting practices. This recognition highlights our dedication to transparently tracking and reporting our carbon emissions, reinforcing our commitment to environmental sustainability.

These certifications symbolize our unwavering commitment to minimizing our carbon footprint and aligning our business practices with a greener future. We take immense pride in this achievement and will continue to prioritize environmental stewardship as we strive to make a positive impact on our planet.

We are thrilled to announce that PSL has been honored with the prestigious Climate Action Leading Organization (CALO) Award 2024 in the service business category for the second consecutive year



Photo: Khun Chaipatr Srivisarvacha, Chairman of the Board of Directors of PSL (far right), received the CALO Award from Khun Jatuporn Buruspat, Permanent Secretary of the Ministry of Natural Resources and Environment (third from left), at an awards ceremony held at the Centara Grand Ladprao Hotel in Bangkok on September 30, 2024

Companies classified as ‘outstanding’ attained gold-level evaluation results in at least two of the three evaluation criteria:

Measurement: We attained gold level in acknowledgment of our efforts to measure our Scope 1, 2, and 3 greenhouse gas emissions.

Emission Reductions: We attained gold level in recognition of our efforts to reduce our carbon footprint.

Compensation: We attained silver level in recognition of our efforts to offset our Scope 1 and 2 emissions and achieve carbon neutrality.

While we take pride in this moment, it serves as a reminder of the path that lies ahead. We are resolute in our dedication not just to maintain these accomplishments but to extend our efforts even more. Together, we are actively shaping a more sustainable future for Thailand and the world!

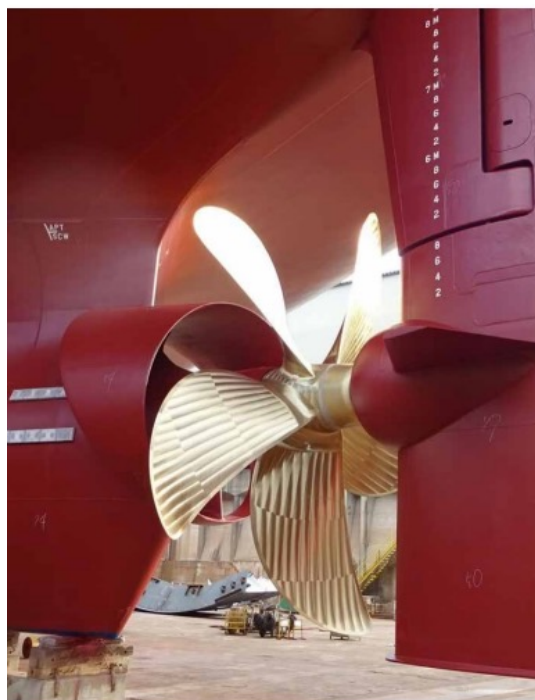
Energy Saving Devices

A cost-effective solution to meet the regulations and improve ship efficiency can be to equip them with energy saving devices (ESDs) or highly efficient propellers and rudders.

ESDs provide a direct increase in vessel propulsion efficiency by reducing hull resistance and improving propeller thrust. ESDs may include a range of devices. Many kinds of ESDs have been developed, which can be retrofitted to existing vessels or installed in newbuildings.

There are many ESDs, such as ducts, pre-swirlfins, fin on hulls, rudders, etc. These devices reduce fuel consumption by improving the flow around the hull or propeller. Modifications must be done either in front of the propeller or behind the propeller.

In the next few pages, we provide a description of some of the key energy-saving devices installed on our vessels.



Pre-Swirl Devices (Ducts & Stators)

Pre-swirl devices aim to improve the propeller inflow conditions; ducts may improve propulsion efficiency by improving the propeller inflow.

Energy Saving Devices

CMES Tech PSV (Pre-Shrouded Vanes)

Post-Swirl Devices

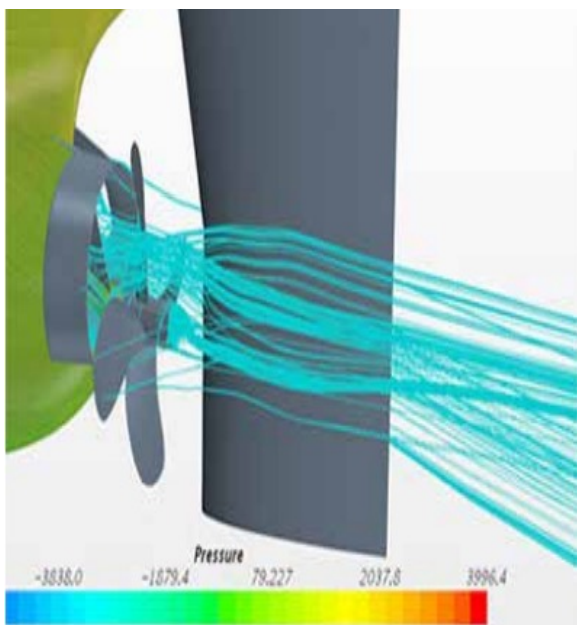
Post-swirl devices are used to recover parts of the rotational energy in the propeller slip stream.

Energy Saving Devices

PBCF (Propeller Boss Cap Fins) / HVAF (Hub Vortex Absorbed Fins)

Grim Vane Wheel

What is a PSV (Pre-shrouded Vanes)?



PSV consists of a wake improving duct combined with several pre-swirl vanes positioned ahead of propeller; PSV can correct the flow into the propeller which essentially reduces the rotational losses in the propeller slipstream and increase the flow velocity towards the inner radius of the propeller. It is an energy-saving device developed for full-form slower ships enabling either significant power savings at a given speed or, alternatively, the vessel to travel faster at a given power level.

Source – CMES Tech

Benefits of PSV

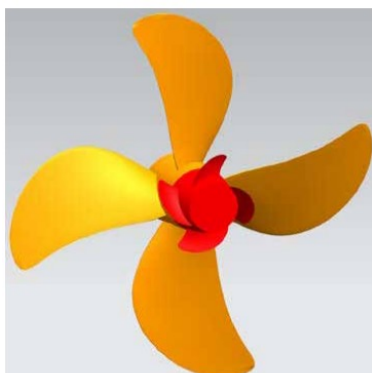
- Improved efficiency: The pre-shrouded design helps reduce turbulence and increase water flow efficiency, which can lead to improved performance and energy savings.
- Increased durability: The shrouding protects the vanes from damage and wear, helping to extend their lifespan.
- Enhanced safety: The shrouding can prevent accidental contact with the spinning vanes, reducing the risk of injury to marine life.
- Reduced noise: The shrouding can help to reduce noise levels.

Power Savings

No.	Vessel Type	DWT	Energy Saving
1	Oil Tanker	320,000DWT	7.0%
2	Bulk Carrier	53,000DWT	5.1%
3	Bulk Carrier	57,000DWT	5.4%
4	Chemical Tanker	33,000DWT	5.0%

What is a HVAF (Hub Vortex Absorbed Fins)?

HVAF (Hub Vortex Absorbed Fins) or PBCF (Propeller Boss Cap Fins) is attached, with small fins on the boss cap, at the hub of the ship propeller, which generates countering swirls that offset the swirls (Hub Vortex) generated by the propeller, and thus improves propulsion efficiency. It is installed as the original boss cap, which rotates together with the propeller.



With HVAF

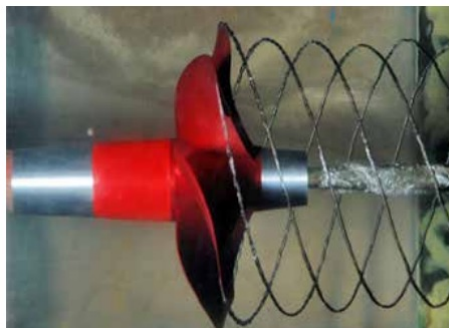


Without HVAF

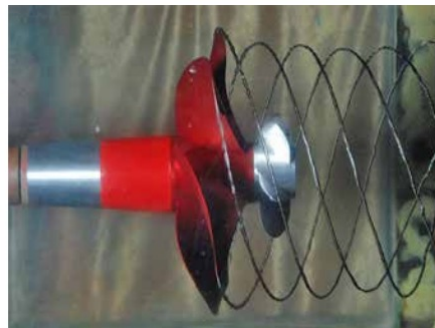
Source – CSSRC

Mechanism

The HVAF or PBCF is an energy-saving device attached to the propellers of a vessel. It breaks up the hub vortex or swirls generated behind the rotating propeller, resulting in a reduction in fuel consumption.



Before installation of HVAF



After installation of HVAF

Source – CMES Tech

Power Savings

Pre-shrouded vanes

The expected power reduction of PSV is in the range of 3% to 7%.

Hub Vortex Absorbed Fins

The efficiency gain by the HVAF is between 1.9% and 2.4%.

Summary

No.	Device Name	Energy Saving Device Type	Energy Saving Effect for 30K DWT Bulk Carrier
1	PSV	Pre-Swirl Duct	3 - 5%
2	HVAF/PBCF	Post-Swirl	1.9 - 2.4%
3	PSV+HVAF	Combined ESD	5 - 7%

Saving Analysis

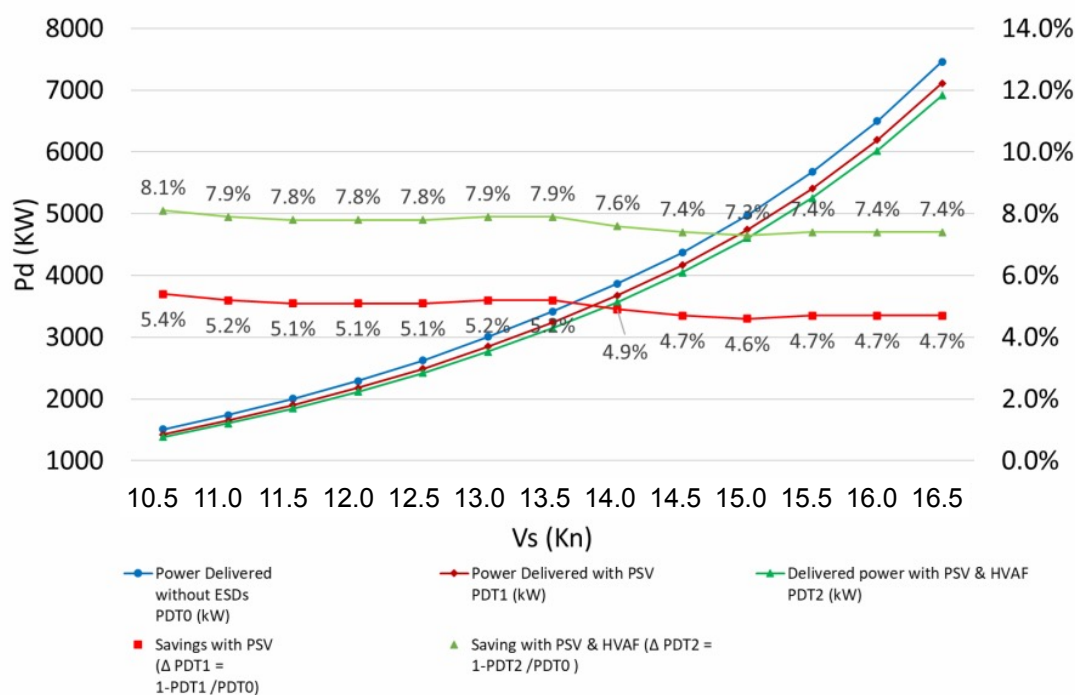
Based on the assumption that a 30,000DWT bulk carrier vessel always operates 350 days a year, and consumes about 21 tons of fuel oil per day, i.e., about 7,350 tons/year, the savings are as shown in the table below.

Particulars	PSV+HVAF
Energy saving %	6%
Reduction in fuel consumption (tons/year)	441
Low sulfur fuel cost saving (\$/year)	308,700

Power prediction for a 30k dwt bulk carrier under given ship speeds

Load Condition	Speed V_s (kn)	Delivered power without ESDs P_{DT0} (kW)	Delivered power with PSV P_{DT1} (kW)	Savings with PSV $(\Delta P_{DT1} = 1 - P_{DT1} / P_{DT0})$	Delivered power with PSV&HVAF P_{DT2} (kW)	Savings with PSV & HVAF $(\Delta P_{DT2} = 1 - P_{DT2} / P_{DT0})$
Scantling Draft	10.50	1506	1425	5.4%	1384	8.1%
	11.00	1742	1651	5.2%	1604	7.9%
	11.50	2003	1900	5.1%	1846	7.8%
	12.00	2294	2177	5.1%	2115	7.8%
	12.50	2625	2490	5.1%	2419	7.8%
	13.00	3004	2847	5.2%	2766	7.9%
	13.50	3418	3241	5.2%	3149	7.9%
	14.00	3866	3675	4.9%	3571	7.6%
	14.50	4372	4166	4.7%	4048	7.4%
	15.00	4970	4739	4.6%	4605	7.3%
	15.50	5674	5408	4.7%	5255	7.4%
	16.00	6497	6192	4.7%	6017	7.4%
	16.50	7462	7114	4.7%	6913	7.4%

Source – CSSRC Model Test Report



Source – CSSRC Model Test Report

At PSL, the management understood its business implications, evaluated the efficiency of potential designs, and took a leap forward. As part of the strategy, it was decided to retrofit some of the vessels with hydrodynamic Energy Saving Devices (ESDs), such as the mewis duct, PSV, and HVAFs. Analysis indicates energy savings in the range of 3% to 6%. Older vessels, which were considered less-fuel efficient were replaced with 'Eco' vessels between the years 2013 and 2017. The "Eco" vessels have offered more economical machinery, very efficient electronically controlled engines, lower lightship, better hull-form, and optimized use of waste heat from the engines.

Target

By installing these energy-saving devices on 18 vessels, we were able to achieve energy savings of 3-5%. Future technological developments will be monitored and studied to assess their feasibility and viability for further reducing our emissions.

Fresh Water

The Company recognizes that water resources are a critical component of the ecosystems where the Company conducts its business. The Company is committed to lowering fresh water obtained ashore.

Water Efficiency Management Program

- **Use of Freshwater Generators:** To reduce the water received from shore-based sources, the Company produces water through the freshwater generators on board each vessel. A freshwater generator is a vital machinery system used onboard ships. This machine is used for the conversion of seawater into freshwater by vacuum distillation based on evaporation and condensation.
- **Bilge and Ballast Water Management:** Comply with international regulations to ensure treated discharge water meets environmental standards, reducing pollution and conserving marine ecosystems.

However, the remaining fresh water for consumption is sourced from ashore. Arguably, this eats into the fresh water supply available for communities ashore, and so it is our endeavor to reduce water sourced from shore-based sources over time.

The Company has set a goal of reducing water purchased from shore-based sources by 25% by the year 2029 compared to a 2019 baseline year. In 2024, fresh water quantity decreased by 23.50% compared to the base year of 2019.

The Company has taken measures to reduce water consumption on board by encouraging ships' crew to minimize wastage of fresh water and maintain freshwater generators on a regular basis so as to maximize production of fresh water on board.

Water purchase data from PSL's fleet

Description	2019	2020	2021	2022	2023	2024
Water received by the whole fleet of the Company from onshore per annum (Tonnes)	23,349	21,882	20,175	20,580	17,167	17,863

Waste Management ^[GRI 306-2]

Mitigation measures are used to manage planned waste, reduce its impact on the environment and ensure compliance with applicable laws, standards, and policies. The Company implemented the garbage management plan to treat waste generated onboard. It shall also designate the person or persons in charge of carrying out the plan. It is a requirement under the International Convention for the Prevention of Pollution from Ships (MARPOL) for all ships operating in international waters. This plan shall provide written procedures for minimizing, collecting, storing, processing and disposing of garbage, including the use of the equipment on board ships. The purpose of the plan is to minimize the amount of waste generated on board and to ensure that all waste is properly disposed of in order to reduce the risk of marine pollution and preserve the health of the oceans and coastal areas.

Food waste [GRI 306-1]

IMO defines food waste as any spoiled or unspoiled food substances and includes fruits, vegetables, dairy products, poultry, meat products, and food scraps generated onboard ship. Food waste on board can be disposed of either onshore or through the use of a food waste disposer, which grinds the waste into smaller pieces and then disposes of it at sea, beyond a distance of 3 or 12 nautical miles, depending on the type of waste and the area, away from the nearest land. The actual disposal route must be recorded in a Garbage Record Book. To reduce pollution, the Company continuously trains and updates crew members, as well as onshore personnel, on our policies and requirements for strict adherence to MARPOL and general environmental awareness.

The Company has set a goal of reducing food waste by 20% within the year 2029 compared to the 2020 baseline year.

Description	2020	2021	2022	2023	2024
Food waste (Cubic metre:m3) [GRI 306-3]	239	209	235	233	236

Some practices have implemented to reduce food waste onboard a ship:

- Meal planning: Plan meals carefully, taking into account the number of crew members, their dietary needs, and the amount of food available.
- Portion control: Serve appropriate portions to avoid over-serving and reduce waste.
- Proper storage: Store food properly to extend its shelf life and reduce spoilage.
- Inventory management: Keep track of food inventory to avoid overstocking and reduce waste.
- Food waste digester: Use of a food waste digester can help to break down food waste and reduce its volume.

Sludge disposal [GRI 306-1]

Another source of harmful substances generated by our ship's consumption of fuel and diesel oil is sludge. Sludge is a product of 'on board' fuel oil purification and as an alternative to incinerating sludge and releasing even more harmful gases into the environment, the Company has made a substantial effort to dispose of such material to shore-based reception facilities. This is a much more expensive way of dealing with this issue, but the Company is committed to reducing its carbon footprint, which reflects the Company's efforts towards environmental conservation. Waste oil or sludge generated on each ship is about 1% of all fuel burnt. Empirical research suggests that every ton of oil burnt generates approximately 3 tons of CO₂. By delivering sludge to a suitable reception facility, this waste can be recycled to make products like grease, which is a lubricant widely used in multiple industries. To reduce CO₂ emissions from incinerators and decrease at-sea disposal, the Company intends to deliver more sludge disposal ashore, the goal is to increase the amount of sludge disposed of through shore vendors by 10% compared to the baseline year of 2020.

Description	2020	2021	2022	2023	2024
Sludge disposed of ashore (Cubic metre:m3) [GRI 306-5]	1,685	1,849	1,590	1,876	2,041

Revolutionizing Recycling for a Sustainable Future



In 2024, Precious Shipping Public Company Limited launched a paper recycling project, affirming its commitment to the principles of the circular economy. According to data from the Pollution Control Department, paper consumption in Thailand is rising rapidly, and sustainable resource management has become increasingly urgent. On average, individuals in Thailand consume an average of 34 kilograms of paper each year, and this figure is increasing by 15% annually.

This initiative heralds a collaboration with SCG Packaging Public Company Limited (SCGP) through the **“Providing Used Paper for Recycling”** program. Embracing the ethos of environmental stewardship, our workforce actively collects used paper for recycling, championing responsible consumption and nurturing a culture of sustainability within our organization.

In addition to our recycling efforts, we actively encourage reducing paper usage within the organization to reinforce our commitment to sustainable practices. By promoting a “reduce before you recycle” mindset, we have implemented digital workflows, paperless communication systems, and double-sided printing policies to minimize unnecessary paper consumption. These measures have not only cultivated a culture of efficiency and environmental responsibility but have also led to a substantial decline in overall paper usage, as reflected in the table below. This dual approach—minimizing consumption and maximizing recycling—demonstrates our holistic strategy toward sustainable resource management and our determination to lead by example in environmental stewardship.

Moreover, this endeavor stands as a testament to our unwavering commitment to the principles of sustainable development, particularly in advancing the SDGs. By promoting the circular economy and resource efficiency, this project directly contributes to SDG 12 (Responsible Consumption and Production) and SDG 13 (Climate Action), exemplifying our dedication to creating a more equitable and sustainable future for all.



The following table illustrates the program’s performance in 2024:

Information	Unit	2023	2024
Reduce Tree Cutting	Trees	27	6
Reduced Carbon Dioxide Emissions	Kilograms	1,061	238
Reduced Water Usage	Liters	40,560	9,100
Reduced Fuel Usage	Liters	2,184	490
Reduced Energy Usage	Kilowatts	6,240	1,400

Green Procurement and Using Resource Efficiency

Green procurement refers to the process of acquiring goods and services in an environmentally responsible manner. Following are the practices we adopted to promote green procurement:

- Promote the use of products made from recycled materials, products with energy-efficient features, or products with certifications for environmental sustainability.
- Assessing suppliers based on their environmental practices and selecting suppliers that have a strong commitment to sustainability.
- Reducing packaging waste and reusing or recycling products and materials.
- Promote digitalization - Moving from a paper-based process to a digital workflow.
- Educate our crew members on board and staff on shore about the importance of green procurement and best practices for reducing environmental impact.
- Monitor and evaluate the performance of suppliers and the impact of procurement decisions on the environment, and continuously improve practices to reduce environmental impact.

The Company encourages optimal use of resources at the office by:

- using by-products and eco-friendly materials, i.e., recycled paper
- reusing paper that has only been printed on one side
- encouraging the use of reusable bags and containers to avoid the use of single use plastic
- supporting our staff to learn and understand how to optimize resource consumption to promote environmental preservation and proper consumption behavior

We are pleased to report that the Company presents this Annual Report in a digital form, and if at all, a printed version is required, it is printed on recycled paper. This is our token contribution to the conservation of the natural environment and is in line with our stated desire to reduce our carbon footprint.

Biodiversity Protection

The Company recognizes that our operations as a shipping company intersect directly with the world's oceans. These oceans are home to a vast array of marine life, which plays a crucial role in maintaining the ecological balance of our planet. As a responsible corporate citizen, we are committed to protecting marine biodiversity and minimizing the environmental impact of our activities.

Ballast Water Treatment [GRI 303-1,303-2,304-1,304-2]

The Company is dedicated to reducing the ecological footprint of our operations and protecting marine biodiversity. By complying with ballast water treatment standards, we prevent the spread of invasive species and contribute to the preservation of delicate marine environments.

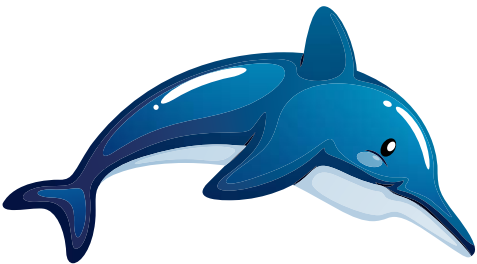
Exposures and Mitigations: Ballast water, if discharged without treatment, can harm the local ecosystem at the point of discharge, leading to reduced native biodiversity and changes in ecosystem function. To mitigate this risk, ballast water treatment is used by ships to remove harmful organisms and pathogens from their ballast water before release into the ocean. This process helps prevent the spread of invasive species and protects marine biodiversity.

The BWM (Ballast Water Management) Convention came into force on 8 September 2017. All new vessels keel laid from this date are required to be fitted with IMO approved ballast treatment plants. All existing vessels are required to retrofit such plants in a phased manner along with surveys associated with the first renewal of IOPP (International Oil Pollution Prevention) certificate after 8 September 2019. The requirements in the current Convention were reviewed by the relevant Correspondence Group, and in MEPC81 session endorsed the list identifying items that need to be amended within the BWM Convention. The list comprises survey aspects such as sampling and analysis of ballast water to confirm the treatment capacity and discharge concentration of active substances during intermediate and renewal surveys, in addition to commissioning tests, to ensure appropriate installation and effective operation etc. In addition, it was further agreed to reestablish the Correspondence

Group for pursuing the topics that require further discussions. At this session, an interim guidance was adopted, which provides operational guidance such as the determination of CWQ (Contaminated Water Quality), bypass procedures for ballasting operations at ports with CWQ and decontaminating procedures of ballast tanks after the bypassed ballasting operation.

2024 Targets for Ballast Water Treatment	2024 Performances
• Installation of Ballast Water Treatment plants in 100% of the fleet	100%
• Zero cases of violation of compliance with the Ballast Water Management (BWM) Convention requirements performance	0

Marine Mammals Protection [GRI 304-1, 304-2]



(A) What dangers do marine mammals face from international shipping?

Life for a marine mammal in today’s world is tough. Many of the struggles that marine mammals face is sadly due to human negligence and interference.

The three biggest threats marine mammals face from international shipping are:

Ship Strikes

Fast-moving ships can collide with marine mammals, causing injury or death. To illustrate, ship strikes have been identified as the number one reason for the disappearance of the North Atlantic right whale. The right whale is only one of many marine mammal species that are at risk of being hit by high-speed ships. It is estimated that over 90 manatees die prematurely due to ship strikes every year in Florida.

Acoustic Pollution

Loud noises from ships, sonar, drilling rigs, and other human sources can interfere with the ability of marine mammals to communicate, find food, mate and navigate. Scientists believe that acoustic noise pollution prevents these mammals from being able to detect approaching ships or fishing nets, adding to the risk of being killed.

Oil Spills

Oil spills have both short-term and long-term effects on marine mammals. Animals like seals and otters that are exposed to oil will automatically try and lick the oil off their fur. Toxic chemicals in oil cause serious damage to the digestive system and internal organs. Thick, sticky oil has also been shown to clog the blowholes of dolphins and whales, causing them to suffocate. In the long term, exposure to petroleum can cause reproductive damage, making it difficult for populations to repopulate in the wake of oil spills. Otter populations are only just starting to come back after the Exxon-Valdez spill.

(B) What species are most in danger?

An ‘At-risk species’ is one in which the population viability is at risk due to ship strikes. Viability may be influenced by a number of single or interacting factors including: the proportion of a population in high risk areas, populations that are prone to ship strikes, for species that swim slowly or remain at surface for long periods of time (sperm whales, humpback whales, bowhead whales and right whales), or for populations that have a

small number of reproductively mature females (e.g. western gray whales, eastern north pacific right whales, Arabian sea humpbacks and Chile-Peru right whales).

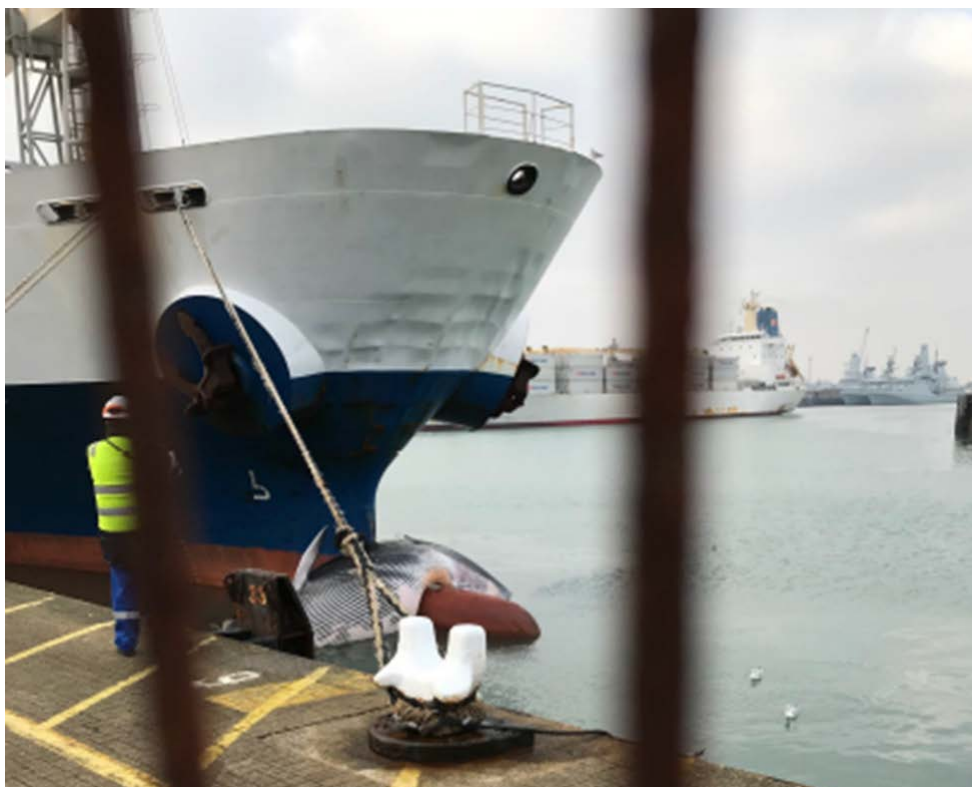
At-risk species

1. Fin whale
2. Humpback whale
3. North Atlantic right whale
4. Sperm whale

They account for 69% of reported collisions.

(C) Result of ship strikes

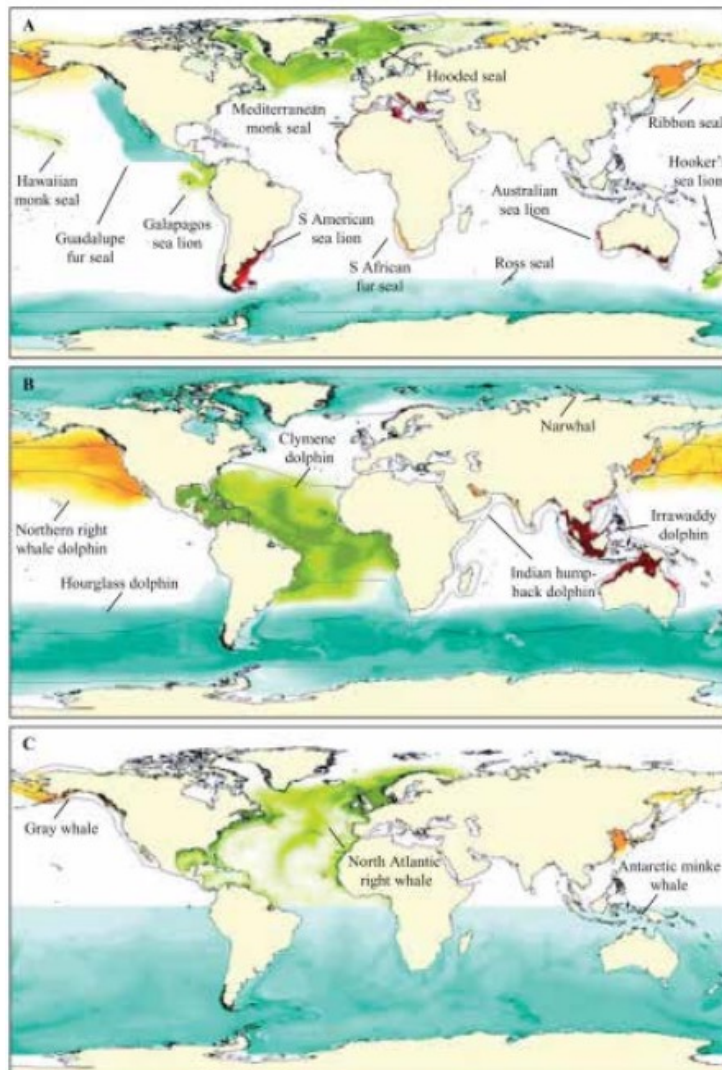
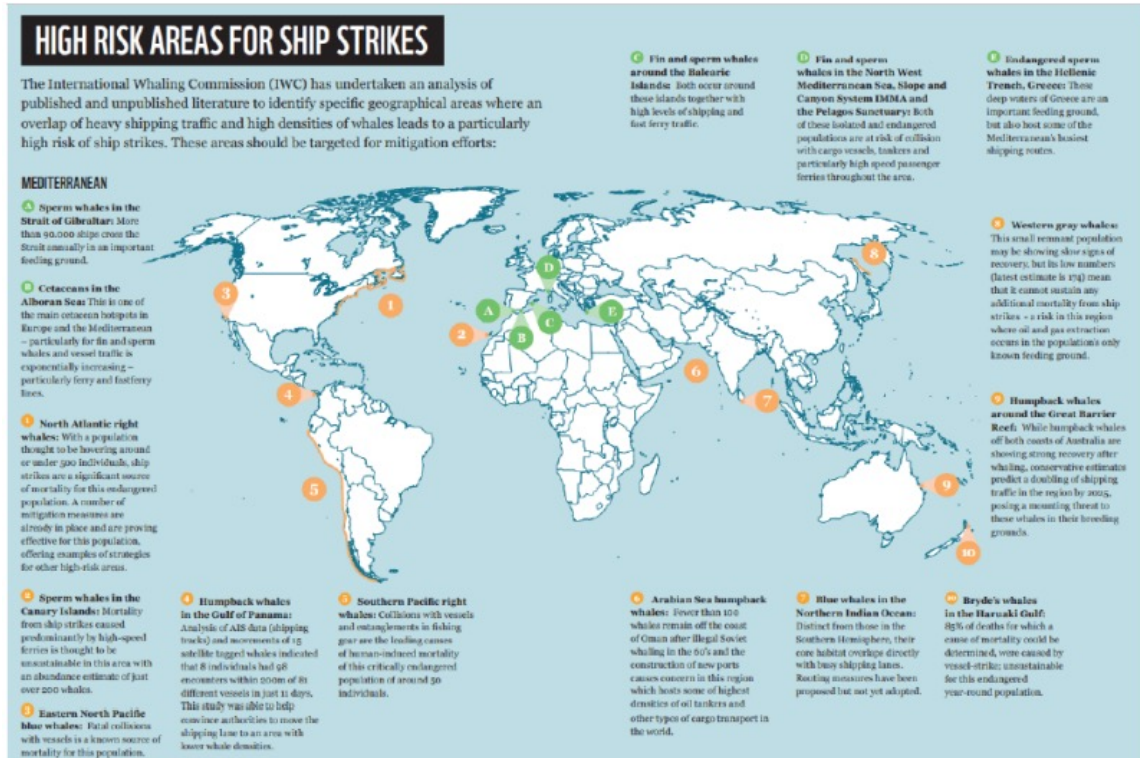




(D) Near Miss



(E) High risk areas



(F) Our commitment

In order to achieve our objectives, we have had one of the UK's leading whale and dolphin conservation charities ORCA, train and certify six of our in-house master mariners and one technical superintendent on 'Ship Strike Mitigation and Understanding Important Marine Mammal Areas'.

The Navigational officers on board the Apiradee Naree have been trained on the subject and are successfully submitting survey information into the ORCA portal while at sea. The vessel has been provided with a dedicated tablet with the ORCA ocean watchers app installed, and reticle binoculars (rangefinder binoculars), which estimate the distance at which the mammal is spotted.

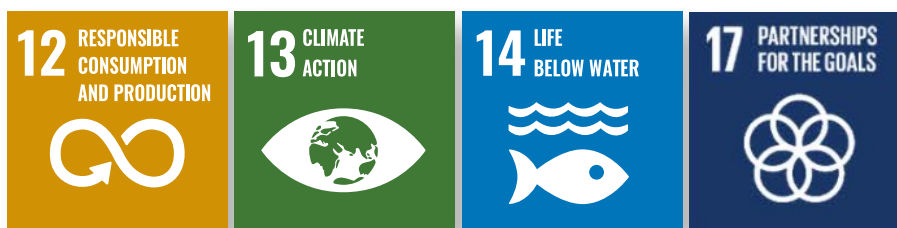
We have set the following KPIs for the Apiradee Naree, this aligns with our corporate objectives.

- a) ZERO disposal of food waste in areas identified as important for marine mammal population (IMMAs) and particularly sensitive sea areas (PSSAs).
- b) ZERO incidents of the vessel entering the Sindhudurg-Karwar IMMA, we have achieved this by clearly marking the IMMA and setting it as a 'NO-GO Area' on the passage plan.

(G) What are we trying to accomplish through this exercise?

- Reduce mortalities and injuries to marine mammals as a result of ship strikes.
- Anticipating the likelihood of whale interaction, rather than attempting to react to its presence.
- Increase measures that reduce collision probability, such as re-routing and speed reduction/limits.
- Adhere to mandatory and voluntary mitigation measures.
- Improve reporting of incidents that do occur to ORCA and the IWC ship strike database.
- Collect data and record sightings in the ORCA Oceanwatchers app.
- Identify geographical hotspots.
- Increase awareness about the issue and measures used to reduce this threat.

Empowering Oceans Through Marine Life Guardianship & Team Up to Clean Up



In line with our commitment to sustainability and environmental preservation, PSL employees volunteered to participate in a program to preserve marine ecosystems and a program to clean up the marine environment. These activities reflect our dedication to fostering a harmonious relationship between our operations and the ecosystems surrounding us, aligning with global sustainability goals.

Crab Habitat Preservation: Building Sustainable Crab Initiative at Phra Samut Chedi Klang Nam, Rayong

On July 18, 2024, PSL employees came together to participate in the creation of crab habitats at Phra Samut Chedi Klang Nam in Rayong. This effort involved building specially designed structures that serve to provide a safe environment for mud crabs to thrive and reproduce. By supporting marine biodiversity, this initiative directly contributes to the enhancement of local ecosystems and strengthens the resilience of marine life in the area.



Beach Cleanup: Saeng Chan Beach, Rayong

On the same day, our team extended their commitment to marine conservation by conducting a beach cleanup activity at Saeng Chan Beach in Rayong. Together, employees collected and segregated various types of waste, ensuring proper disposal and recycling processes. The cleanup efforts resulted in 39 kilograms of general garbage, 3 kilograms of bottle cap garbage, and 24 kilograms of bottle garbage. This not only restored the beauty of the beach but also prevented harmful materials from entering the ocean, where they could pose a threat to marine species and habitats.

The activities undertaken by PSL employees align closely with several United Nations Sustainable Development Goals (SDGs). These initiatives support Goal 12: Responsible Consumption and Production through the segregation and proper disposal of collected waste, promoting sustainable waste management practices. They also contribute to Goal 13: Climate Action by reducing pollution and supporting ecosystems, enhancing climate resilience and environmental sustainability. Efforts such as the crab habitat initiative and beach cleaning align with Goal 14: Life Below Water, as they promote marine biodiversity, protect aquatic ecosystems, and prevent marine pollution to improve ocean health. Lastly, these activities reflect our dedication to Goal 17: Partnerships for the Goals, emphasizing collaboration with communities, employees, and local authorities to achieve shared sustainability objectives.



Our Ongoing Commitment

Precious Shipping Public Company Limited remains steadfast in its mission to protect marine life and foster sustainable communities. Through initiatives like these, the Company demonstrates how businesses can play a pivotal role in environmental stewardship, helping to ensure a healthier planet for future generations. Together, we will continue to take bold steps toward a sustainable future.

Conclusion, Environmental Objectives and Goals

Having explained all facets of the Company's efforts to protect the environment this section concludes with a summary of all objectives put forward and how each will be monitored. Compliance with the ISM, ISPS and MARPOL codes will be monitored by the Company's internal audit team, and all initiatives subsequently employed to minimize violations will be subject to half-yearly reviews by the Company's senior management and technical team. As previously stated, the target set by the Company's management is to have zero violations in 2024. Additionally, the Company will maintain our SQEMS ISO certification. The Company will constantly look for ways to improve the SQEMS and look to incorporate all new regulations into the initiative even before they become effective. Likewise, the Company will also constantly be on the lookout for newer technology that can be employed on its ships to reduce its environmental impact.

The Company additionally uses environmental compliance as one of the major criteria in the screening process of each of its numerous suppliers of spares etc.

Social Performance [GRI103-1]

The Company treats Corporate Social Responsibility (CSR) as one of its highest priorities and has built it into the Company's vision and mission statement and core values. The Company allocates an amount of 0.50% of net profit every year to CSR reserve, which is subject to a minimum of Baht 1.75 million and a maximum of Baht 25 million per year. Such allocation is decided annually by the Company's shareholders. The actual utilization out of this reserve is decided by the Company's senior management and/or the Board of Directors, and is periodically, or at least once a year, reviewed by the Board of Directors.

Human Rights [GRI 412-1, 412-2]

The Company is dedicated to following its human rights policy and maintaining ethical labor practices to prevent violations of the rights of all stakeholders in its supply chain. The Company has determined guidelines in accordance with the UN Guiding Principles (UNGP) on business and human rights and the declaration on fundamental principles and rights of the International Labour Organization (ILO), and the Company follows the local labor laws of the countries in which it operates. The Company also has a strong commitment to inclusion and diversity, offering equal career opportunities and genuine concern for the welfare of its employees.

Human Rights Due Diligence: The Company recognizes the importance of human and labor rights in its business operations and is committed to mitigating the risks of violating these rights. The Company is aware of the current international attention on the responsible conduct of business in accordance with the international human rights framework and the need to protect rights such as labor rights, privacy, freedom of expression, and promoting gender and social equality. The Company aims to internalize these values and prevent potential violations through risk mitigation strategies throughout its value chain.

The human rights evaluation was conducted through questionnaires provided to our main stakeholders, i.e. employees, seafarers, and suppliers in the value chain. There has been no violation of human rights for our stakeholders, and there has been no report of a human rights incident.

The process of human rights due diligence involves the following steps:

- Identifying potential human rights risks and impacts associated with the Company's operation.
- Assessing the severity of these risks and impacts.
- Developing and implementing a plan to manage and mitigate these risks and impacts.
- Monitoring and evaluating the effectiveness of the plan over time.
- Reporting on progress and performance.

The Company has carried out measures to mitigate the risks related to human rights violations, aiming to foster a positive corporate image and enhance the Company's reliability. The risk issues, the mitigation measures, and the actions taken are as follows:

Issue #1) Health and safety of crew members onboard the vessels

Potential human rights risk: Inadequate safety measures, lack of protective equipment, long working hours, and exposure to hazardous substances can jeopardize the health and safety of crew members. This can lead to injuries, illnesses, or even fatalities.

Scope: Operations of the Company and its subsidiaries

Stakeholders affected: Crew members

The mitigation measures for the health and safety of our crew members are as follows:

- **Safety Training:** Provide comprehensive safety training programs to ensure that crew members are well-informed about potential hazards, emergency procedures, and safe operating practices specific to the Company's operations. This can include training in cargo handling, lifting and rigging, personal protective equipment (PPE) usage, and the use of firefighting equipment.
- **Training and Awareness:** Employees are also provided with comprehensive awareness programs that cover various aspects of workplace safety, health, and well-being. This includes training on proper equipment usage, emergency procedures, ergonomics, and stress management. Regular awareness campaigns are also conducted to reinforce safe working practices and promote a culture of well-being.
- **Risk Assessments:** Conduct regular risk assessments to identify and evaluate potential safety hazards onboard ships, such as the handling of machinery and equipment, cargo, and operational risks. This facilitates the implementation of appropriate preventive measures and controls to minimize risks and maintain a safe working environment.
- **Emergency Response Planning:** Develop and regularly update emergency response plans that outline procedures for various scenarios, including accidents, medical emergencies, fires, and man-overboard incidents. Ensuring crew members are familiar with these plans and conducting drills and exercises to practice emergency response actions.
- **Safety Equipment and Maintenance:** Provide and maintain essential safety equipment and systems on board, including personal protective equipment (PPE), fire detection and suppression systems, lifesaving appliances, and safety signage. Regular inspections and maintenance of these types of equipment are scheduled to ensure that they are in proper working condition.
- **Fatigue Management:** Implement policies and practices to manage crew fatigue, such as adhering to regulated work and rest hours, establishing proper watchkeeping schedules, and providing facilities for rest and relaxation. Ensuring crew members have sufficient rest helps prevent accidents and maintain alertness during critical operations.
- **Health and Medical Support:** Provide access to adequate medical facilities, equipment, and trained medical personnel onboard ships. Conducting regular health checks, promoting hygiene practices, and providing necessary vaccinations to minimize health risks and ensure prompt medical assistance when needed.
- **Reporting and Investigation:** Establish a reporting system where crew members can confidentially report safety concerns, near-miss incidents, and accidents. Conducting thorough investigations into incidents to identify root causes and implementing corrective actions to prevent their recurrence.
- **Safety Culture and Communication:** Promote a safety culture onboard by fostering open communication, encouraging crew members to actively participate in safety discussions, and recognizing and rewarding safety-conscious behavior. Regular safety meetings, toolbox talks, and safety campaigns can help raise awareness and reinforce safety practices.
- **Compliance with Regulations:** Ensure compliance with applicable international and national regulations, industry standards, and codes related to health, safety, and environmental protection. Staying up-to-date with regulatory changes and actively implementing measures to meet or exceed these standards.

Issue #2) Climate change issues

Potential human rights risk: The Company's carbon emissions and contribution to climate change may exacerbate the risk of displacement and other human rights impacts on vulnerable communities due to rising sea levels or extreme weather events.

Scope: The Company's operations

Stakeholders affected: Crew members, customers, community, and vulnerable groups e.g., indigenous peoples

The mitigation measures to protect the environment are as follows:

- **Environmental Management Systems:** Implement environmental management systems that incorporate policies, procedures, and guidelines for minimizing the environmental impact of shipping operations. This includes establishing clear roles and responsibilities, conducting regular environmental risk assessments, and setting objectives for improvement.
- **Emission Reduction Measures:** Take steps to reduce greenhouse gas emissions and air pollution from ships. This can involve implementing energy-efficient technologies, optimizing vessel speed and smart routing, utilizing low-sulfur fuels, and exploring alternative fuels or propulsion systems with lower emissions.
- **Ballast Water Management:** Implement effective ballast water management practices to prevent the introduction of invasive species into marine ecosystems. This includes complying with international ballast water management regulations, using approved treatment systems, and adhering to proper ballast water exchange procedures.
- **Waste Management:** Develop and implement comprehensive waste management plans to minimize and properly handle different types of waste generated during shipping operations. This includes segregating, recycling, and disposing of waste following local and international regulations.
- **Fuel Efficiency Measures:** Promote fuel efficiency practices to minimize fuel consumption and reduce the environmental impact of shipping operations. This can include optimizing voyage planning, maintaining vessel hulls and propellers, implementing efficient engine and machinery maintenance, and providing crew training on fuel-efficient operation techniques.
- **Collaboration with Stakeholders:** Engage with relevant stakeholders, including local communities, environmental organizations, and regulatory authorities, to foster dialogue, share best practices, and incorporate their input in environmental decision-making processes. This collaboration can help identify and address specific environmental concerns and build trust with stakeholders.
- **Research and Innovation:** Explore innovative solutions and technologies that can further minimize the environmental impact of business. This can include exploring alternative fuels, developing more efficient vessel designs, and adopting advanced pollution prevention technologies.
- **Compliance with Regulations:** Ensure compliance with international and local environmental regulations, including those related to air emissions, ballast water management, waste disposal, and noise pollution. Staying updated on regulatory developments and proactively implementing measures to meet or exceed these requirements.

Remediation and Corrective Actions

In cases where human rights violations are substantiated, the Company takes immediate remedial actions to address the impact on affected individuals or communities. These actions may include providing compensation, implementing corrective measures, facilitating access to justice, or collaborating with relevant authorities to ensure accountability.

Additionally, the Company has promoted employees' awareness and understanding of human rights by organizing a training program on "Gender Equity" for employees who are directly concerned with the organization's human rights risks.

The Company conducted human rights due diligence in order to prevent any involvement in or causing of human rights abuses and to uphold human rights in its operations and business relationships.

Performance Indicators

The following are the performance outcomes of human rights compliance:

Compliance with child labour incident risk	
Operations and suppliers are considered to have significant risk for incidents of child labour	0
Operations and suppliers are considered to have significant risk for incidents of young workers exposed to hazardous work	0
Risk for incidents of forced or compulsory labour	
Operations and suppliers considered to have significant risk for incidents of forced or compulsory labour	0
Compliance with non-discrimination	
Total number of incidents of discrimination	0
The right to freedom of association and collective bargaining	
Operations and suppliers in which workers' rights to exercise freedom of association or collective bargaining may be violated or at significant risk	No such operations
Measures taken by the organization intended to support rights to exercise freedom of association and collective bargaining ^[GRI 102-41]	Paid USD 495K in annual membership fees, for 493 crew members, to SMOU and SOS in 2024

Empowering Women at Sea



In 2024, the Company continued its groundbreaking initiative of providing scholarships to female cadets, building on the significant milestone achieved in 2023 when the program was introduced for the first time in our history. This initiative reflects the Company's unwavering commitment to promoting gender equality in the maritime industry and fostering an inclusive work environment. The Company's scholarship program not only breaks gender barriers but also paves the way for female cadets to undertake sea trials on board Precious Shipping vessels as part of their graduation requirements. This progressive approach signifies the Company's dedication to creating equal opportunities for both men and women in traditionally male-dominated fields.

Precious Shipping has established comprehensive policies and guidelines to address safety concerns and prevent sexual harassment both at its shore office and onboard the Company's vessels. The Company recognizes the importance of fostering a safe and respectful working environment for all employees, irrespective of gender. To ensure the effective implementation of these policies, the Company conducts training sessions for shore-based employees and seafarers at all levels, emphasizing the significance of taking a proactive stance against safety hazards and harassment. Precious Shipping is committed to creating awareness and instilling a sense of responsibility among its workforce to eradicate inequality and harassment.

The Company's commitment aligns with the SDGs, particularly Goal 5 (gender equality) and Goal 8 (decent work and economic growth). We recognize that achieving gender equality is not only a moral imperative but also crucial for sustainable development. By empowering women in the maritime sector, the company contributes to a more inclusive and equal society. We firmly believe that every step towards gender equity

matters. By initiating scholarship programs, enforcing strict safety policies, and actively encouraging women to pursue maritime careers, the company is making a tangible impact on the lives of female professionals in the industry.



Employees

Human Rights and Labor Practices

The Company recognizes that employees are one more key success factor for the Company's operations. The Company has committed to being a fair and caring employer, offering its staff equitable opportunities to develop and grow. The Company has a policy to provide equal opportunities in employment, job security, and career advancement, as well as adhering to other good principles related to employees and employment. The Company supports good relationships between all employees, including the management. The Company also gives importance to anti-discrimination throughout its operations and promotes diversity in its workforce at both the management and staff levels. The Company ensures its employee management complies with national labor laws and related regulations. In addition, the Company ensures that the process of employee termination is fair and is proceeded in accordance with the Company's working regulations and the relevant laws.

Employment of Disabled People: The Company ensures that it complies with national labor laws and related regulations. The provisions outlined in sections 33 and 35 of Persons with Disabilities Empowerment Act B.E. 2550, require companies to hire one disabled individual for every 100 non-disabled employees. Our current workforce does not meet the required ratio and therefore, the Company currently has no disabled employee on its staff. However, the Company is glad to support disabled people by donating to disability-focused organizations i.e. department of empowerment of persons with disabilities.

Employees Benefits

The Company has a policy to provide all employees access to equal remuneration for work of equal or comparable value. The Company provides remuneration to office employees as salary, bonus, and other benefits like provident fund on a voluntary basis, and health insurance, although the same is not required by law; it also provides welfare for employees as required by law, i.e. social security. The Company has established a Welfare Committee consisting of five employees from various departments to oversee employee well-being, consult with the management on employees' welfare issues, provide advice and make recommendations to the Company regarding employee welfare. The Company ensures that it meets all labour protection law requirements in terms of leaves, holidays, working hours, severance pay, etc.

Provident Fund: The Company encourages its employees to save for their retirement, and therefore, commencing from 2017, the maximum allowable contribution to the provident fund from employees has been increased from 5% to 15%. The Company also arranges annual internal training on investment planning, saving,

and financial management held by an asset management company to promote long-term savings and to assist the employees in their investment planning. Details of employees joining the employee provident fund are as follows:

Description	2022	2023	2024
Percentage of employees joining employee provident fund (%)	99%	97%	97%
Total amount of provident fund contributed by the Company (Baht)	5,580,208	5,735,013	5,967,362
Percentage of the total amount of provident fund contributed by the Company to total employee remuneration (%)	5%	5%	5%

Remuneration is based on their performance, roles, and duties, and incentives/increments/bonuses are also based on the financial status/performance of the individual and the Company. As a long-term incentive, the Company does not have an ESOP plan in place since the senior management feels that to a large extent, the share price of the Company depends on several factors beyond the employees' direct control like the state of the international freight markets and therefore, the Company's share price may not adequately reflect the better performance of the employees. The Company has implemented a profit-sharing scheme, which ensures that the employees are paid bonuses based on the performance of the Company against specified quantitative targets, which are laid down annually in advance. During the year, the Company announced a long-term bonus that will be paid out over three years to all executives and employees. These long-term bonuses can be used to reward employees for their long-term loyalty, dedication, and hard work. Furthermore, these long-term bonuses can be used to attract and retain top talent within the organization.

In line with its commitment to maintain high ethical standards and good corporate governance practices, the Company has in place a group-wide whistle-blowing policy and encourages all employees to report any possible improprieties on a confidential basis without fear of recrimination. The employees are free to express their opinions and concerns and provide feedback via email or mail. In 2024, there were zero cases of discrimination and zero human rights violations.

The COVID-19 pandemic has caused a huge number of seafarers on merchant ships to be unable to disembark once their contracts have ended, facing excessive times at sea away from family and their homes. This has been due to tight restrictions on international travel and the movement of personnel through ports, which make crew changes impossible in many places. At PSL, we have put in our best efforts to ensure that our crew members are disembarked and sent to their respective homes safely even though this would mean that we divert our ships to either Thai and/or Indian ports to disembark/embark our Thai or Indian seafarers, despite no financial or economic benefits to the Company.

During the COVID-19 pandemic, the Company initiated work-from-home arrangements for office employees to minimize their health risks. The Company continues to monitor the situation closely, particularly in Thailand, to ensure that appropriate measures can be taken in a timely manner. Additional measures such as social distancing, temperature screening, mandatory mask requirement, virtual meetings etc. have also been implemented. Strict protocols have been implemented on board our ships to minimize the number of visitors going on board at all ports, screen all visitors such as port officials, surveyors, etc., who need to go on board, and ensure that all visitors follow norms such as wearing PPE, maintaining minimum distances from crew members, etc.

Employee Engagement Evaluation through Employee Satisfaction Survey

The Company recognises that employee satisfaction is core to the long-term success of the Company. An employee survey is conducted to gauge employee satisfaction, identify areas of strength and find opportunities for improvement. The Company conducts an annual employee satisfaction survey, thereby providing employees with an opportunity to provide constructive feedback for the betterment of the organization.

In 2024, online employee satisfaction surveys were conducted for onshore personnel as well as crew members onboard vessels. The employee satisfaction survey results have been presented in the below table:

Description	Percentage of employee satisfied rate				
	Onshore staff members		Floating staff members		Target
	2023	2024	2023	2024	2025
Percentage of employee engagement	91%	93%	84%	88%	80%
Employee satisfaction rate results:					
Are you satisfied working for the Company?	88%	88%	89%	93%	80%
Employees agreed to recommend the Company as a good place to work.	78%	79%	89%	91%	80%
I feel like I am a part of the Company.	86%	89%	79%	81%	80%

To improve the employee satisfaction survey, the Company has promptly responded to feedback collected through the surveys, addressing concerns and implementing necessary improvements as a testament to its dedication to employee well-being.

Social data of shore-based employees ^[GRI 102-8, 202-2, 401-1, 401-3, 405-1]

Below table shows information about the employees of the Company including its subsidiary, i.e., Great Circle Shipping Agency Limited ("GCSA").

Number and proportion of the employees of the Company and its subsidiary GCSA at its shore-based offices, by gender, age, nationality, and position

Description	Unit	31-Dec-22	31-Dec-23	31-Dec-24
Employees				
Total number of employees	Person	133	138	132
Total number of male employees	Person	59	64	58
Percentage of male employees	%	44%	46%	44%
Total number of female employees	Person	74	74	74
Percentage of female employees	%	56%	54%	56%
Total number of employees with disabilities	Person	0	0	0
Percentage of number of employees with disabilities	%	0%	0%	0%
Employees by age group				
Total number of employees under 30 years old	Person	9	8	9
Percentage of employees under 30 years old	%	7%	6%	7%
Total number of employees 30-50 years old	Person	84	81	70
Percentage of employees 30-50 years old	%	63%	59%	53%
Total number of employees 51-60 years old	Person	30	38	43
Percentage of employees 51-60 years old	%	22%	27%	32%
Total number of employees over 60 years old	Person	10	11	10
Percentage of employees over 60 years old	%	8%	8%	8%
Male employees by age group				
Total number of male employees under 30 years old	Person	4	3	1
Percentage of male employees under 30 years old	%	3%	2%	1%
Total number of male employees 30-50 years old	Person	31	32	26
Percentage of male employees 30-50 years old	%	23%	23%	20%
Total number of male employees 51-60 years old	Person	14	18	21
Percentage of male employees 51-60 years old	%	10%	13%	16%
Total number of male employees over 60 years old	Person	10	11	10
Percentage of male employees over 60 years old	%	8%	8%	7%

Description	Unit	31-Dec-22	31-Dec-23	31-Dec-24
Female employees by age group				
Total number of female employees under 30 years old	Person	5	5	8
Percentage of female employees under 30 years old	%	4%	4%	6%
Total number of female employees 30-50 years old	Person	53	49	44
Percentage of female employees 30-50 years old	%	40%	36%	33%
Total number of female employees 51-60 years old	Person	16	20	22
Percentage of female employees 51-60 years old	%	12%	14%	17%
Total number of female employees over 60 years old	Person	0	0	0
Percentage of female employees over 60 years old	%	0%	0%	0%
Employees by nationality group				
Total number of Thai employees	Person	113	117	112
Percentage of Thai employees	%	85%	85%	85%
Total number of Indian employees	Person	19	20	19
Percentage of Indian employees	%	14%	14%	14%
Total number of Singaporean employees	Person	1	1	1
Percentage of Singaporean employees	%	1%	1%	1%
Male employees by nationality group				
Total number of Thai male employees	Person	39	43	38
Percentage of Thai male employees	%	29%	31%	29%
Total number of Indian male employees	Person	19	20	19
Percentage of Indian male employees	%	14%	14%	14%
Total number of Singaporean male employees	Person	1	1	1
Percentage of Singaporean male employees	%	1%	1%	1%
Female employees by nationality group				
Total number of Thai female employees	Person	74	74	74
Percentage of Thai female employees	%	56%	54%	56%
Total number of Indian female employees	Person	0	0	0
Percentage of Indian female employees	%	0%	0%	0%
Total number of Singaporean female employees	Person	0	0	0
Percentage of Singaporean female employees	%	0%	0%	0%
Employees by employee category				
Total number of employees in operational level	Person	75	76	77
Percentage of employees in operational level	%	56%	55%	58%
Total number of employees in management level	Person	44	49	43
Percentage of employees in management level	%	33%	36%	33%
Total number of employees in executive level	Person	14	13	12
Percentage of employees in executive level	%	11%	9%	9%
Male employees by employee category				
Total number of male employees in operational level	Person	17	18	13
Percentage of male employees in operational level	%	13%	13%	10%
Total number of male employees in management level	Person	32	37	37
Percentage of male employees in management level	%	24%	27%	28%
Total number of male employees in executive level	Person	10	9	8
Percentage of male employees in executive level	%	7%	6%	6%

Description	Unit	31-Dec-22	31-Dec-23	31-Dec-24
Female employees by employee category				
Total number of female employees in operational level	Person	58	58	64
Percentage of female employees in operational level	%	44%	42%	48%
Total number of female employees in management level	Person	12	12	6
Percentage of female employees in management level	%	9%	9%	5%
Total number of female employees in executive level	Person	4	4	4
Percentage of female employees in executive level	%	3%	3%	3%
Employee relation and engagement				
Total number of employees voluntarily resigned in the year	Person	2	2	6
Percentage of total number of employees voluntarily resigned in the year to total number of employees	%	2%	1%	5%
Total number of male employees voluntarily resigned in the year	Person	2	2	4
Percentage of total male employees voluntarily resigned in the year compared to total number of employees	%	2%	1%	3%
Total number of female employees voluntarily resigned in the year	Person	0	0	2
Percentage of total female employees voluntarily resigned in the year compared to total number of employees	%	0%	0%	2%
Total number of newly hired employees in the year	Person	4	6	5
Percentage of total number of newly-hired employees in the year compared to total number of employees	%	3%	4%	4%
Total number of newly-hired male employees in the year	Person	1	6	1
Percentage of newly-hired male employees in the year compared to total number of employees	%	1%	4%	1%
Total number of newly-hired female employees in the year	Person	3	0	4
Percentage of newly-hired female employees in the year compared to total number of employees	%	2%	0%	3%
Total number of employees that were entitled to parental leave	Person	74	74	74
Total number of employees that took parental leave	Person	2	0	0
Total number of employees who returned to work after parental leave ended	Person	2	0	0
Total number of employees who returned to work after parental leave ended who were still employed twelve months after their return to work	Person	2	0	0

Occupational Health & Safety [GRI 403-1, 403-2, 403-5, 403-6]

The Company recognizes that respect for human rights is the foundation of human resources' improvement, which adds value to the business. Moreover, human resource is a key success factor for business and adds value to the Company in all aspects. It is the Company's policy to conduct its activities in a manner that promotes the health and safety of its employees so that the actions of the Company, and its employees, promote the health and safety of others too. The Company accords the same weightage to health and safety factors as it does to commercial and operational factors. To this end, the health and safety responsibilities of all personnel have been defined and allocated.

Occupational Health & Safety Policy

The Company is committed to conducting business with the highest standards of safety, occupational health, and environmental conditions, by focusing on the effective management of safety, occupational health, and environmental factors within work environments. The following Company guidelines concerning safety, occupational health, and environment should be followed:

- The Company shall comply with all legislations and regulations relating to safety, occupational health, and environmental requirements in all locations in which the Company operates.
- The Company shall follow practices that constantly ensure that its working environment is safe for the protection of life and property of the Company and its employees.
- The Company shall encourage health and safety awareness at all levels and promotes procedures and practices that ensure environmental protection taking into account current legislation and industry codes and practices.
- The Company shall fully disclose all information regarding its operations and standards in relation to safety, occupational health, and the environment.

We are dedicated to ensuring the safety, occupational health and well-being of all individuals involved in our operations, including employees, contractors, and those under our supervision. Our goal is to provide a safe, healthy, and hazard-free working environment for everyone.

Our Approach to Health and Safety Management

- We adhere to the highest safety standards, with policies aligned with ISO 9001 requirements and the International Maritime Organization's (IMO) International Safety Management (ISM) Code.
- We actively consult and engage our employees both onboard and ashore to foster a collaborative approach to identifying hazards, assessing risks, and implementing effective safety measures.
- We commit to continuously improving the performance of our occupational health and safety management system by setting clear objectives, reviewing performance, and incorporating industry best practices.
- We systematically assess and prioritize risks to ensure action plans are developed and implemented to mitigate workplace hazards effectively.

Safety Management System Onboard Vessels

The Company's Safety Management System (SMS) is intended to affirm that the Company achieves its purpose in this area and is based on the philosophy that accidents can be prevented by the identification and management of risk. The Quality & Safety Policy Manual contains the Company policies in compliance with the standards of ISO 9001 and requirements of IMO's ISM Code. The quality procedures contain a summary of the procedures that the Company operates and maintains.

General practices for safety on the vessel are as follows:

- Regularly develop and implement a Safety Management System (SMS) that covers all aspects of shipboard safety and provides guidelines and procedures for crew members to follow in case of an emergency.
- Inspect and maintain all shipboard equipment, including fire-fighting equipment, lifesaving appliances, and navigation systems.
- Identify potential hazards and assess the associated risks to minimize the likelihood of an accident or incident.
- Established a reporting system for incidents, accidents, and near-misses to help identify areas for improvement and prevent future incidents.
- Provide regular training and drills to your crew to ensure they are familiar with emergency procedures and know how to respond in case of an accident or incident.



Our crew members receive training in using emergency breathing devices, such as the Emergency Escape Breathing Device (EEBD) and the Self-Contained Breathing Apparatus (SCBA), to protect against inadequate oxygen, dust, gases, and vapors on ships including fire drills which are held onboard vessels twice a month.

The Company also has a Drug and Alcohol Abuse Policy. It is based on the recommendations contained in OCIMF's "Guidelines for the Control of Drugs and Alcohol On board Ship". They are detailed in the safety management system available on all vessels and displayed for all crew members.

Ensuring that each crew member gets enough rest is a necessity. To avoid fatigue and stress related accidents on board, minimum rest periods have been recommended by STCW 95 convention and ILO Convention 180. Both these conventions have undergone considerable amendments. As a result, the requirements have become more stringent. STCW 2010 Manila amendments are effective from January 2012 whereas ILO 2006, which is known as MLC (Maritime Labor Convention) 2006, was ratified in August 2012 and became effective in August 2013. Both Thailand and Singapore, the flag states of the vessels in our fleet, have ratified the Maritime Labour Convention. All the Company's vessels are fully compliant with the MLC requirements.

The Company's medical fitness requirements are higher than the standards set by International Labour Organization (ILO) and other regulatory bodies. As a result, the Company finds very few cases of fitness or sickness related problems amongst its seafarers.

Piracy: The Company's ships are exposed to the threat of piracy when sailing through high-risk areas, and the officers/crew sailing onboard are under tremendous pressure when sailing through such areas where armed pirates are known to attack. This is especially true of the Indian ocean/ Arabian sea area, extending from the mouth of the Persian Gulf in the north to Madagascar in the south. The Company takes this threat very seriously and ensures all ships are routed outside these areas and closer to the Indian coast. Where this is not possible for any reason, the Company engages security guards to sail with the vessel for the passage through these high-risk areas. In any case, all ships transiting through the high-risk areas are 'hardened', amongst other things, by rigging barbed razor wire around the ship thereby making it harder for the pirates to climb onboard the Company's ships. The Company is committed to doing everything possible to ensure safety of the ship and officers/crew.

Automated Mutual Assistance Vessel Rescue System (AMVER): Sponsored by the United States Coast Guard (USCG), AMVER is a unique, computer-based, and voluntary global ship reporting system used worldwide by search and rescue authorities to arrange for assistance to persons in distress at sea. The Company continues to be involved in the AMVER program and its good performance is recognized by the USCG in the form of AMVER awards given to the Company every year through their representative at the United States Embassy in Bangkok. A quote from the USCG citation letter would perhaps reflect what this award is all about: “you can take pride in the voluntary commitment of your officers and crew to the safety of life at sea”.

Teamwork: Unlike several ship owning Company’s, which outsource the technical management of its ships, the Company’s ship-management company, viz. Great Circle Shipping Agency Limited (GCSHIP) is a wholly-owned subsidiary of the Company. The staff of the ship-management company work as one team under the same roof. Regular weekly meetings are also conducted between the ship management and commercial teams to sort out all operational issues and discuss the status of future plans. Good co-ordination is achieved in all areas of ship operation by this arrangement. Besides ISM code certification, GCSHIP is also certified for Quality Management System “ISO 9001: 2015” and has obtained certification for their Environment Management System “ISO 14001:2015”.

Annual Fire Drill and Evacuation Training



At PSL, we believe that the foundation of any successful business lies in the health and safety of its people. On September 26, 2024, we conducted our Annual Fire Drill and Evacuation Training, underscoring our deep commitment to the well-being of our employees. This essential event is more than just a regulatory requirement; it is a proactive step towards fostering a safe work environment where everyone can thrive. Through realistic simulations of emergency scenarios, employees were given the opportunity to familiarize themselves with critical safety procedures and evacuation protocols. This experience ensures that every individual knows how to act swiftly and safely in the event of an emergency, reinforcing our priority of safeguarding the lives of those who are integral to our company’s success.

Last year, we conducted Basic Firefighting Training to promote safer workplaces, this initiative was born out of the recognition that equipping our workforce with essential knowledge about fire behavior and propagation is crucial to fostering a secure working environment. The comprehensive training program provided participants with hands-on experience in using various fire extinguishing methods, instilling the confidence and skills needed to respond effectively to fire-related incidents.

The benefits of this training extend far beyond the immediate context of emergency preparedness. By providing employees with hands-on experience in managing high-pressure situations, we enhance their ability to remain calm and composed during real-life emergencies. It also promotes a sense of unity, as employees learn to work together, communicate effectively, and rely on each other’s strengths to ensure the collective safety of the team. This training is part of our larger commitment to creating a culture of safety at PSL, where employees are not only equipped with the knowledge and skills to protect themselves but are also assured that their well-being is a core value of the company. Our approach fosters a supportive work environment, making PSL a place where employees can confidently focus on their work, knowing that their safety is in good hands.

This initiative also aligns with our commitment to the SDG 3: Good Health and Well-Being. By prioritizing safety and emergency preparedness, we contribute to the physical and mental well-being of our employees, ensuring that they work in a secure and supportive environment. Our fire drill and evacuation training are a testament to how PSL goes beyond conventional safety measures, investing in the holistic well-being of our

team. This commitment not only supports our people but also strengthens the long-term sustainability of the company by fostering a healthy, engaged workforce. As a forward-thinking company, we understand that employee safety is not just about risk management—it's about creating a foundation for growth and success. Through these efforts, we are setting a positive example for how companies can prioritize both human capital and business excellence in tandem.



Targets:

- LTIFR rate: A maximum of two incidents per million working hours.
- Zero employee fatalities due to work-related injury.

Performance indicators:

Safety, occupational health, and environment at work	Unit	31-Dec-24
Total number of hours worked by all employees (on board and ashore)	Hours	4,628,000
Total number of lost-time injury accidents by all employees (on board and ashore)	Case	2
Total number of employees that lost time injuries exceeding 1 day	Person	2
Percentage of employees that lost time injuries exceeding 1 day	%	0.19%
Loss time injury frequency rate of employees (LTIFR)	Times/Million working hours	0.43
The number of employee fatalities resulting from work-related injuries	Person	0
Percentage of employees fatalities resulting from work-related injuries	%	0%

Knowledge and Development

Directors and Management Training

The Board of Directors continues to try and enhance their value by participation in activities, courses and events which add to their knowledge base in the continually changing business environment to ensure that they are updated and possess full knowledge. All the Company's Directors have attended important training courses that are available such as the Director Certification Program (DCP) or the Director Accreditation Program (DAP) held by the Thai Institute of Directors Association (IOD).

Directors' Orientation

The Company secretary provides any newly appointed director with the background of the Company's business, profile, and industry along with all the relevant documents for new directors, such as the director's handbook, the Company's corporate documents, CG policy manual, business ethics and code of conduct manual, anti-corruption policy, laws, regulations, and practices which are related to the trading of Company's shares.

Employee Development

The Company ensures that employees are adequately knowledgeable and skilled to perform their jobs for the Company's business. The Company has a policy of promoting employee development by supporting them in developing their skills, abilities, and knowledge, keeping them updated following industry trends, as well as understanding the relevant code of conduct and practice. The Company provides in-house and external training for officers of the Company both at Head Office as well as on the vessels. Moreover, the Company allows special leave and flexible working hours for employees who are undergoing longer term professional or degree courses.

The Company has an 18-month young leadership program which provides recent graduates an opportunity to acquire on-the-job training in the commercial, technical and finance departments before embarking on a long-term career with the Company. This serves to ensure that the experience and skills of the current generation of managers are transferred to the next generation.

Training and development for office staff [GRI 404-2, 404-3]: The employees are encouraged to express their training needs and/or interests, so that the Company can provide suitable training to them as one of the tools for their career development. The costs of such training are borne by the Company.

ESG DNA: Empowering a Sustainable Future Through Knowledge



At PSL, we recognize the vital importance of fostering awareness and understanding of Environmental, Social, and Governance (ESG) principles among employees at all levels and across all departments. ESG is not just a framework for managing risks and conducting business but also a cornerstone for instilling a culture of responsible environmental stewardship, social impact, and effective governance within the organization.

In 2024, PSL launched the **ESG DNA Program** to encourage employees to participate in sustainability e-learning courses provided through the Stock Exchange of Thailand's ESG Academy. The program emphasizes three core courses: ESG 101, which provides an overview of sustainable business development; P01, covering the fundamentals of business sustainability; and BHR101, which focuses on comprehensive human rights due diligence processes. These courses were designed to empower employees with practical knowledge and skills to integrate ESG principles into their daily work effectively. Remarkably, 99% of our workforce (Thai staff only, since the courses were in Thai) successfully completed all three courses, showcasing their commitment to sustainability.

PSL is committed to equipping our employees with the tools and knowledge necessary to navigate a sustainable future confidently. Through initiatives like the ESG DNA Program, we continue to drive our organizational mission to align business practices with sustainability goals.

This initiative directly contributes to the United Nations Sustainable Development Goals (SDGs), particularly SDG 4 (Quality Education) by providing access to essential sustainability education, SDG 8 (Decent Work and Economic Growth) by fostering responsible and sustainable business practices, and SDG 12 (Responsible

Consumption and Production) by equipping our workforce to drive efficiency and environmental responsibility. By embedding ESG principles within our organizational culture, we affirm our dedication to building a sustainable and equitable future for all.

In addition to the above, the training and development summary for office staff in 2024 is as follows:

Training Types/ Topics	Objectives and Benefits	Target Groups	Participants	Training Hours
Functional Training	Expand work knowledge to help employees reach their goals, inspire self-confidence, and progress to work.	All employees in each function i.e. accounts, finance, technical, legal & compliance, commercial, insurance, etc.	57	1,303
Generative AI Daily Work Training	This session will cover the basics of generative AI, including an introduction to its applications, what it is, how to use it, use cases, limitations, and prompting techniques for better responses. Making clear and helpful prompts can greatly improve the quality and usefulness of AI-generated content.	All employees	132	99
ESG DNA Program	To equip our employees with the tools and knowledge necessary to navigate a sustainable future confidently.	Thai employees	100	265
Business Ethics and Anti-Corruption Training	To promote a culture of accountability, transparency, and ethical behavior at all levels of the organization and to equip employees with the knowledge to identify and address ethical dilemmas, corruption risks, and compliance challenges effectively.	All employees	132	264
Basic Fire Fighting Training	To equip employees with essential knowledge and increase awareness of fire safety protocols, evacuation procedures, and emergency response plans.	All employees	132	330
Cybersecurity Awareness Training	Educate employees on cybersecurity best practices to protect company data and systems.	All employees	132	341
Total man-hours for training in 2024: 2,602 man-hrs				
Total participants average hours training per year per person = 19.71 hrs				

Training and Development for seafarers ^[GRI 404-2, 404-3]

Over the years, the Company has not only acquired expertise in the field of ship management, but in the process, has developed a pool of highly qualified and competent staff, both, on-board and ashore. It is through this dedicated and loyal work force of floating staff, technical superintendents, and internal auditors that the Company has been able to achieve high standards of safety and quality in all aspects of ship operations. It is the Company's policy to encourage and support competent and efficient seafarers and give them the opportunity to grow within the organization.

All ship officers are required to visit the head office for briefing before being assigned to vessels. Here, they are briefed and updated about new developments and practices in the industry. Regular updates are also sent to the vessels. Officers are often sent to attend value added courses to enhance their skills. The costs for these courses are borne by the Company.

The Company has introduced a mechanism whereby the officers and crew serving onboard our ships can send in their suggestions to the office. This will encourage the ship-staff to make effective contributions to the shipboard operations and help further improve the Company's performance.

The Company has provided, on board the vessels, selected video training programs from the best available in the market.

To motivate the junior officers and to keep up with the process of learning while on board, senior officers are asked to interact with them actively. To measure their levels of competency, a computer-based competency test facility is provided on board. Based on the results of these tests, officers can determine their weaknesses and work to improve upon weak areas.

Maritime Training Centre & Bridge Navigation Simulator: The Company has set up a full-fledged maritime training center at its head office in Bangkok which includes a state-of-the-art bridge navigation simulator. The PSL training center, which commenced operations in March 2008, has given a solid foundation to the Company's training activities and has enabled its officers and crew to keep abreast of the latest developments in ship operations. The bridge navigation simulator recreates the actual bridge on a ship as it enters a major port and provides ideal conditions in which to train officers and crew in ship-handling and navigation. In the last quarter of 2019, work was commenced to completely upgrade and revamp the bridge navigation simulator including a total renewal of all projectors, panels, consoles, hardware, and the software updated as per the requirements for our fleet. An upgraded bridge navigation simulator was installed in the first quarter of 2020 .

The training center has developed and continuously improves all training courses, including English courses for marine engineers, navigating officers and crew at all levels. New courses are also being introduced to equip the navigation and engineering officers with the necessary knowledge to deal with new regulations like the global sulphur cap from January 2020 and new data collection and reporting requirements. To equip the officers with knowledge of new developments, the Company has taken the step of organizing specialized courses conducted by experienced and proficient guest teachers.

Significant changes introduced in the year 2024: Building Mental Health Awareness Among Senior Seagoing Staff

PSL Training Centre collaborates with the Dean of the Faculty of Psychology and his team from Saint Louis College to conduct Mental Health Awareness training course "Stress, Depression and Burn out Prevention Training Program" for our senior seagoing staff. This initiative aims to equip them with the skills to effectively recognize early signs of mental health concerns in both their crew and themselves.

Courses conducted by PSL Training Centre:

The PSL training center offers a variety of courses and training programs both licensing and tailored programs. The content of the following courses is tailored for ship officers to promote safety and efficient ship operations of deck and engine departments.

Courses	Course objectives and benefits
Maritime Resource Management Course (MRM)	The MRM course is generally accepted to be one of the most effective learning approaches to improving crew cooperation and minimizing the risk of accidents caused by human errors as well as failures in effective teamwork and resource management.

Courses	Course objectives and benefits
Bridge Team Management and Competency Course (BTMC) includes Vessel Traffic Service (VTS) and Standard Marine Communication Phrases (SMCP)	This training course aims to train the ship's masters and officers in effective bridge teamwork and resource management in various situations as well as bridge operations in emergencies. The course also develops our officers' communication skills in communicating with a vessel traffic service (VTS) using various SMCPs through the VHF and GMDSS communication equipment in our bridge simulator.
Electronic Chart Display and Information Systems (ECDIS)	This course aims to enhance navigational safety with the safe operation of ECDIS equipment, proper use of ECDIS-related information, and knowledge of the limitations of ECDIS equipment.
Chief Mate Course (CMC)	To strengthen the professionalism and competence of chief officers and prepare experienced second officers for the chief mate rank.
Command Course (Command)	The purpose of this course is for senior ship officers in all necessary skills and topics for the command. It includes modules for leadership, business and law, international sale of goods and related rules/codes/conventions, time charter and voyage charter, cargo matters and ship's certificates, documentation, ship handling/ anchoring techniques, etc.
Shipboard Safety Course (SSC)	This course is designed to equip ship's crew, including both deck and engine personnel, as well as cadets, with the essential knowledge and skills needed to proficiently manage safety and emergency procedures aboard vessels.
Maritime Professional Briefing (MPB)	This course aims to keep senior officers and engineers updated on new regulations and information.
Maritime English training (divided into 5-course levels) programs	This course aims to improve all crew members' English skills - speaking, listening, reading and writing.

In response to the needs of the trained engineers to serve on vessels fitted with new generation main engines from MAN Diesel & Turbo and Wartsila, the PSL training center liaises very closely with the technical department and the engine manufacturers to continuously upgrade the training courses which were first introduced even before the vessels were delivered. Furthermore, the Company reinforces the training courses that our engineers undergo before embarking on their assignments aboard ships.

Courses	Course objectives and benefits
Wartsila RT-Flex Engine Familiarization	To familiarize the engineers with the Company's new type of engine "Wartsila RT-Flex Electronic Engine" before they join a ship equipped with this type of engine. This course focuses mainly on the practice part.
Engine RT-Flex Operation and Practical Advanced	This course aims to train all engineers for the operation and practice of the RT-Flex engine at a higher level to familiarize the engineers with the utmost operational function of the engine RT-Flex.
MAN Diesel Engine ME-B & ME-C Basic Control System	To familiarize the engineers with the company's new "MAN Diesel Engine" (ME) before they join a ship equipped with this type of engine. This course focuses mainly on the practice part.
MAN Diesel Engine ME-C Advanced Troubleshooting	The purpose of this course is to familiarize the engineers with all possible problems which may arise from the operation of the ME engine with the most effective troubleshooting.
Engine Room Management and Competency Enhancement (EMC)	This course aims to train senior engineers (chief engineers and 2 nd engineers) in various management and competency knowledge and skills that are required for the safe and efficient running of the ship.

Courses	Course objectives and benefits
Engineer on Watch (EOW)	This course aims to train junior engineers in watch-keeping duties, engine parameters monitoring, operation and maintenance, safety and pollution prevention, and record-keeping.
EMS Awareness and Shipboard Safety	This training course is designed to keep senior officers and engineers updated on policy and incidents relating to environmental and safety onboard, with an emphasis on environmental awareness as well as an improvement in all duties' safety working.

PSL Training Centre Training Matrix

- Deck Department

Course	Rank				
	Capt.	C/O	2/O	3/O	J/O
Maritime Resource Management	√	√	√	√	√
Bridge Team Management & Competency	√	√	√	√	√
Bridge Team Competency I	X	X	√	√	√
Operation of ECDIS	√	√	√	√	√
Officer of the Watch	X	X	X	√	√
Chief Mate Course	X	√	√	√	X
Command Course	√	√	X	X	X
ME-C Advanced Troubleshooting	X	X	X	X	X
ME-B&C Control System Basic	X	X	X	X	X
RT-Flex Operation & Practice	X	X	X	X	X
Wartsila RT-Flex Familiarization	X	X	X	X	X
Basic English*	√	√	√	√	√
Elementary English*	√	√	√	√	√
Intermediate English*	√	√	√	√	√
Maritime Professional Briefing	√	√	X	X	X
It's my ship	√	√	X	X	X
Shipboard Safety Course	X	X	X	X	X
Mental Health Awareness	√	√	√	√	√

* Attendance in English classes is mandatory for all officers and engineers; however, the English proficiency level is determined based on individual test scores.

- **Engine Department**

Course	Rank				
	C/E	2/E	3/E	4/E	J/E
Maritime Resource Management	√	√	√	√	√
Bridge Team Management & Competency	X	X	X	X	X
Bridge Team Competency I	X	X	X	X	X
Operation of ECDIS	X	X	X	X	X
Officer of the Watch	X	X	X	X	X
Chief Mate Course	X	X	X	X	X
Command Course	X	X	X	X	X
ME-C Advanced Troubleshooting	√	√	X	X	X
ME-B&C Control System Basic	√	√	√	√	√
RT-Flex Operation & Practice	√	√	X	X	X
Wartsila RT-Flex Familiarization	X	X	√	√	√
Basic English*	√	√	√	√	√
Elementary English*	√	√	√	√	√
Intermediate English*	√	√	√	√	√
Maritime Professional Briefing	√	√	X	X	X
It's my ship	√	√	X	X	X
Shipboard Safety Course	X	X	X	X	X
Mental Health Awareness	√	√	√	√	√

* Attendance in English classes is mandatory for all officers and engineers; however, the English proficiency level is determined based on individual test scores.

The performance results of skill development

In this training overview for the year 2024, we highlight the key trends, courses, and developments that are shaping the landscape of professional development for the benefit of the company. Throughout the year, we continued to train our officers using an online/onsite hybrid system. A total of 1,542 sea going officers and crew members attended a total of 20 courses that were conducted during the year, reflecting the Company's unwavering commitment to crew development and the high value we place on the continuous learning and improvement.

Performance	2022	2023	2024
Total participants (persons)	1,021	1,330	1,542
Total training hours (hours)	22,455	37,002	41,411
Average training hours (hours/ person/ year)	21.99	27.82	26.85

The outcomes from the skills development of ship officers

Skills development leads to increased proficiency in ship handling, equipment operation, and cargo management, resulting in more efficient and streamlined day-to-day operations. Additionally, improved skills in navigation, communication, and emergency response contribute to a safer maritime environment, reducing the risk of accidents and incidents at sea.

Challenges for 2025

Continual improvement and development are fundamental to achieving success. At PSL Training Centre, we uphold this strategy by consistently seeking ways to motivate and engage our seagoing officers and crew in lifelong learning. One of the key challenges we foresee soon regarding training is: *‘How can we position ourselves as an attractive choice for the younger generation of seafarers?’*

Recognizing that the new generation of seafarers exhibits distinct characteristics compared to their predecessors, the PSL Training instructor team has proactively developed methodologies to inspire and support our seagoing staff. These initiatives include:

1. Create and share engaging content to enhance the knowledge of our seagoing staff via social media platforms such as Line group, the PSL Training Facebook page, and TikTok.
2. Maintaining regular communication with cadets from MMTC to assist and support them in their learning process.

We continuously seek opportunities to enhance our training methodologies, ensuring that our seagoing staff acquire improved knowledge and skills.

Social and Community Development

The Company recognizes that a strong community and society are critical pillars for its long-term success. Committed to social responsibility, the Company actively participates in various community initiatives on a regular basis. The Company fully recognizes its responsibility to the community and is attentive to the consequences of the Company’s conduct that affect the people around it more than what the laws require, including striving to integrate social accountability into its operations. The creation and expansion of the Company’s CSR fund will provide a permanent and formal framework to enhance the Company’s CSR activities.

Leading the Charge for Cleaner Waterways and Sustainable Solutions



At Precious Shipping Public Company Limited, our commitment to environmental sustainability is driven by the recognition that the health of the oceans we navigate starts with cleaner waterways upstream. As a leader in the maritime industry, PSL understands the profound impact of urban pollution on the broader marine ecosystem. With this in mind, we have taken proactive steps to address pollution at its source, focusing on Bangkok’s urban canals that feed into the Chao Phraya River. By introducing Thailand’s first high-density polyethylene (HDPE) canal-cleaning boat named Phitak Tara, we are tackling waste before it reaches the river, contributing to the preservation of the ecosystems we depend on.

Bangkok’s canals have long been vital to the city’s transportation system and cultural heritage. However, these waterways now face significant pollution, with debris and waste flowing into the Chao Phraya River, affecting the local environment. PSL’s solution—a small, maneuverable HDPE boat—is designed to intercept waste in the narrow, winding canals that larger vessels cannot reach. This boat is lightweight, durable, and efficient, making it perfectly suited to clean the city’s waterways, where pollution begins and ultimately impacts the broader ecosystem.

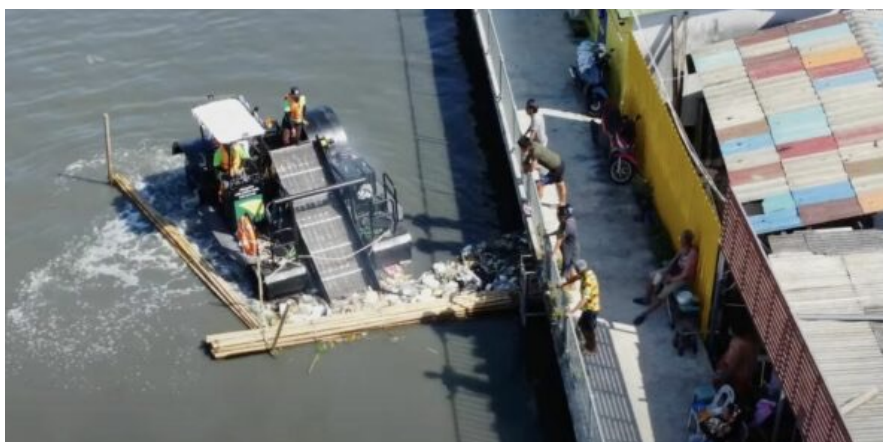
Our innovative canal-cleaning project goes beyond waste management—it’s about building a sustainable future. The use of HDPE material in the construction of these boats not only ensures they are durable and efficient but also supports a circular economy by being recyclable and eco-friendly. PSL’s investment in these

custom-designed vessels reflects our deep commitment to environmental responsibility and sustainable practices. By addressing pollution at its roots, we are reducing the amount of waste that enters the Chao Phraya River, ultimately promoting cleaner waterways and improving the ecological health of Bangkok.

This project aligns with the SDGs, particularly SDG 14: Life Below Water. By focusing on pollution prevention and the preservation of aquatic ecosystems, PSL is making a lasting, positive impact on both the local community and the global environment. Through strategic partnerships and innovation, PSL is demonstrating how businesses can play a significant role in driving urban environmental initiatives. Our canal-cleaning project serves as a model for how companies can contribute to a cleaner, safer, and more sustainable future for all.

For the full video about the project, please visit: <https://youtu.be/hc4JLpxkO04?si=eRxZN8rZz-6vh--5>

Below is an image of the “Phitak Tara” canal-cleaning boat, proudly backed by Precious Shipping Public Company Limited (PSL).



Advancing Maritime Safety: A Commitment to Community Well-Being



At the heart of Thailand's bustling maritime hub, Laem Chabang Port handles over 9,000 vessels each year and facilitates the movement of a colossal 96 million tons of cargo, along with 8.74 million TEUs of containerized goods. It is a cornerstone of global trade, but with this scale of operations comes the critical need for advanced safety protocols. PSL is proud to have part-sponsored and provided expertise for the **“Project to Practice Sea Patient Transport 2024”**, an initiative to elevate marine emergency preparedness in Laem Chabang.

The day-long exercise, hosted by Queen Savang Vadhana Memorial Hospital in Sriracha, Chonburi, brought together key stakeholders to simulate real-world emergencies. Beginning with lectures on handling hazardous materials, firefighting on vessels, and medical care for accident victims, the event culminated in a dramatic sea rescue simulation. This hands-on exercise showcased the efficient transfer of injured crew members from ship to shore, demonstrating how coordinated efforts can save lives and enhance maritime safety.

PSL's support for this initiative goes beyond sponsorship—it reflects a deep-rooted commitment to creating a safer environment for maritime workers and the surrounding community. By collaborating with the hospital and authorities like the Chonburi Marine Department, PSL helped lay the foundation for a stronger safety framework, ensuring that emergency response systems are ready to meet the demands of one of Asia's busiest ports. This endeavor is not just about managing risks; it is about fostering a culture of safety, resilience, and preparedness that benefits society as a whole.

This first-of-its-kind collaboration aligns with Sustainable Development Goal 3, focusing on health and safety, and demonstrates the transformative power of collective action. By supporting this vital initiative, PSL reinforces its mission to protect lives, empower communities, and contribute to the long-term sustainability of the maritime industry—a legacy of resilience and care that will inspire progress for generations to come.

The photographs below highlight the hands-on training and collaboration during the marine emergency response exercise, showcasing a collective commitment to maritime safety.



Building Futures: A Journey of Commitment Through the Hom Bah Hai Nong Project



Every corner of a school, from the library to the playground, holds the promise of brighter futures for children. For over 16 years, PSL has proudly supported the “**Hom Bah Hai Nong**” project, an inspiring initiative by the cadets of the Merchant Marine Training Centre (MMTC). This long-standing partnership exemplifies PSL's unwavering commitment to community upliftment, education, and sustainable development, making a tangible difference in the lives of children across Thailand.

The Hom Bah Hai Nong project brings together the determination of cadets and the support of PSL to transform underprivileged schools into thriving hubs of learning and development. Over the years, PSL has contributed more than 1.8 million Baht to support various projects, including the construction of libraries, music

rooms, and multi-purpose fields, as well as the renovation of restrooms, playgrounds, canteens, and infirmaries. In 2024, PSL's donation helped build a library and music room and refurbish a school in Saraburi Province. These efforts not only enhance the physical infrastructure but also foster an environment where children can dream, explore, and grow.

The impacts of these contributions ripple far beyond the school grounds. Communities surrounding the school benefit from improved facilities, such as roads, playgrounds, and football fields, creating shared spaces that promote connectivity and well-being. The project also equips schools with first aid kits, educational tools, and recreational facilities, ensuring students have access to essential resources for a holistic education. By partnering with MMTC cadets, PSL supports the development of leadership, compassion, and social responsibility in the cadets themselves—values that align closely with PSL's corporate ethos.

Aligned with Sustainable Development Goals (SDGs), particularly Goal 4 (Quality Education) and Goal 11 (Sustainable Cities and Communities), the Hom Bah Hai Nong project underscores PSL's commitment to creating a lasting impact. Beyond the numbers and facilities, this initiative is a testament to PSL's dedication to nurturing young minds and empowering communities. Each project is a brick in the foundation of a brighter future—a future built on shared values, collaboration, and the belief that every child deserves the chance to succeed.

The photograph below captures the heartwarming collaboration between MMTC cadets and local communities, showcasing the power of collective action to create meaningful change.



Scholarships to Students of the Merchant Marine Training Centre (“MMTC”), Thailand



Strategy: Our company is committed to supporting the education of merchant marine students in order to foster job opportunities and career advancement within the maritime sector. By doing so, we aim to address the escalating demand for proficient mariners in the shipping industry, ensuring the smooth and secure facilitation of global trade operations.

Our endeavors extend beyond the mere preservation and promotion of maritime culture, history, and tradition. We actively contribute to the growth of both local and national economies by supplying skilled labor to the shipping industry and its ancillary services. This strategic investment not only bolsters economic vitality but also fortifies the safety and efficiency of maritime transportation. Through the cultivation of well-trained and educated mariners, we endeavor to uphold responsible and sustainable ship operations, thereby enhancing the safety and security of maritime trade routes.

Our company maintains a proactive involvement with the Merchant Marine Training Center, Thailand (MMTC). Since 1998, we have recognized and honored outstanding graduates with Gold medals. Additionally, we regularly extend support by donating textbooks to MMTC, thereby enriching the educational resources available to aspiring mariners.

Our unwavering dedication is emphasized through the initiation of a scholarship program designed exclusively for students enrolled at MMTC. Over the preceding years, we have allocated substantial financial support to meritorious students, with a cumulative contribution amounting to 22,053,160 Baht from 2010 to 2024. This proactive initiative is aimed at mitigating financial challenges and fostering academic brilliance among ambitious maritime professionals.

Moreover, our company actively recruits a significant portion of MMTC cadets, contributing substantially to the cultivation of qualified Thai officers. It's noteworthy that this pool of proficient officers remains accessible to all Thai shipowners, underscoring our commitment to industry-wide growth and development.

Performance results: Our efforts have yielded commendable results. In the year 2024 alone, we awarded a total of 20 scholarships amounting to Baht 1,082,000 to MMTC students. To date, our company has supported 233 MMTC students through scholarships, with an impressive 79% of them opting to pursue careers within our organization upon completing their studies. Through these concerted efforts, our company remains steadfast in its commitment to advancing opportunities within the maritime industry while nurturing a skilled and competent workforce for the future.

The photograph below shows MMTC scholarship students along with Captain Pattana Sriroon, Head of our Fleet Personnel Department.



Donation to Mechai Pattana School



In line with our unwavering belief in the transformative power of education, Precious Shipping Public Company Limited proudly extends its support to Mechai Pattana School for the third consecutive year. With a generous donation of 1 million THB and the provision of new sports equipment to replace those lost to the devastating floods, we reaffirm our dedication to rebuilding not just facilities but also the spirit of a thriving learning community.

The catastrophic floods of 2022 caused extensive damage to the school's infrastructure, disrupting education and displacing essential resources. Despite these challenges, Mechai Pattana School has shown remarkable resilience, working tirelessly to restore its ability to nurture students' academic and personal growth. Our 2023 donation helped construct protective dams, providing a foundation of safety against future natural disasters. This year, we aim to strengthen that foundation by restoring damaged learning spaces and revitalizing sports facilities to ensure students have the tools they need to excel.

The impact of physical education extends far beyond the playground, nurturing essential life skills while fostering mental and emotional well-being. At PSL, we recognize the profound role that quality facilities play in students' holistic development. By restoring and enhancing Mechai Pattana School's sporting infrastructure, we are creating opportunities for students to build confidence, resilience, and leadership. Thriving sports programs inspire growth, empowering students to reach their full potential both on and off the field, and equipping them to face future challenges with determination and strength.

This enduring partnership exemplifies the power of collective action in advancing sustainable education. By supporting Mechai Pattana School, we help create an environment where students can thrive academically, develop life skills, and build confidence. Our contributions reflect our commitment to fostering resilience, innovation, and equity in education, empowering communities to rise stronger in the face of adversity.

As we look to the future, Precious Shipping Public Company Limited remains steadfast in our mission to nurture the next generation of leaders and changemakers. Together with Mechai Pattana School, we are not just rebuilding infrastructure but also sowing the seeds of hope, opportunity, and progress—creating a legacy that will inspire and uplift for generations to come.

The photographs below capture the daily life at Mechai Pattana School.



Building Brighter Tomorrows: Scholarship Programs for the Children of Our Valued Employees and Crew Members

At PSL, we believe in investing not just in our business, but also in the future. That's why we are thrilled to announce that in 2024 we initiated a scholarship program to support the children of our valued employees and crew members. This program was aimed at supporting young individuals in pursuing their academic aspirations and awarding financial assistance to the deserving children of our employees.

This year, we had the privilege of reviewing applications from talented and deserving children of our valued employees. Selecting the recipients was a difficult but rewarding task, and we are excited to support these exceptional young individuals on their educational journeys. A total of 20 academic and need-based scholarships were awarded. Extending our warmest congratulations to our inspiring scholarship recipients.

We are honored to play a role in their exciting educational journey.

Empowering Lives: Blood Donation Camp

For several years, the Company has proudly partnered with the Thai Red Cross to organize blood donation drives, contributing to the local healthcare system and saving lives. However, due to the unforeseen circumstances brought about by the COVID-19 pandemic, these drives had to be temporarily suspended. Now the Company is pleased to announce the resumption of blood donation camps, marking a return to this vital mission. In 2024, two successful blood donation camps were held in June and October, resulting in a total collection of 37,800 cc of blood.



The blood donation event organized emerged as a resounding success, underscoring the collective strength of our employees and the local community. Through this initiative, we have not only saved lives but also strengthened our bonds with the community, embodying our commitment to making a positive impact beyond the workplace.

The Annual PSL Maritime Day Run

Good health is essential for individuals working on ships because it directly impacts their safety and overall effectiveness in performing their duties. While working on board a ship, seafarers face challenging and physically demanding tasks, often in remote or hazardous environments. Maintaining good health ensures they have the stamina, alertness, and resilience to handle the demands of the job, reduce the risk of accidents, and respond effectively to emergencies. Additionally, a healthy crew is vital for the successful operation of the ship, as illnesses can lead to manpower shortages and resulting disruptions in critical tasks, potentially compromising the safety and efficiency of maritime operations.

Running or brisk walking is well-known to be a beneficial exercise. Besides the physical health benefits, this activity helps to lift one's mood and spirits due to the release of endorphins. It relieves stress and helps manage negative feelings like anger and depression. The act of committing to the completion of a stretch of running induces motivation, discipline, and feelings of personal achievement. It is also believed to increase energy and creativity as a natural outcome of the peace, sound sleep, and healthy diet induced by this exercise. For many years, PSL has embraced the opportunity to organize '**The Annual PSL Maritime Day Run**' at the beautiful Lumpini Park in the heart of Bangkok's central business district. This event is extremely popular and attracts lots of participants from within the organization in addition to students from the Merchant Marine Training Center. Besides raising awareness about the shipping industry, PSL uses this opportunity to highlight health-related issues and promote fitness. While procedural constraints and the Covid-19 pandemic temporarily halted the event in prior years, PSL resumed this cherished tradition on 19 January 2024. The Company is committed to making the Maritime Day Run an annual celebration once again, fostering community spirit and promoting wellness.



Photos: Mr. Gautam Khurana, Executive Director, graciously delivered the opening speech, officially inaugurating the event prior to the commencement of the race. Participants who completed two laps covered a distance of 5 kilometers, while those who opted for a single lap covered 2.5 kilometers. The first individual to complete the 5-kilometer distance was presented with a trophy by the director.

MANAGEMENT DISCUSSION AND ANALYSIS

1. OPERATIONS AND FINANCIAL ANALYSIS

1.1 GLOSSARY OF TERMS:

The Financial Analysis part of this Management Discussion and Analysis (MD&A) is based on the Company's consolidated financial statements prepared in accordance with Thai Financial Reporting Standards ("TFRS") and the US Dollar (Functional Currency) Financial Statements (presented in note 36 to the financial statements "Functional Currency Financial Statements"). A variety of financial and operational terms has been used in the MD&A and some of these terms are explained below:

Average Daily Vessel Operating Expenses in USD (Opex) - Average Vessel Operating Expenses per day per vessel are calculated based on the total number of operating days in the year. These exclude depreciation but include amounts amortised per accounting policy (note 4.5 of audited financial statements) for Dry-docking and Special Survey (DD/SS) expenses and the amortisation is included as "depreciation" in the financial statements. Vessel operating expenses generally represent fixed costs which include crewing, repairs and maintenance, insurance, stores, lube oils, management cost and amortised portion of Dry-docking and Special survey expenses.

Vessel Running Expenses - Vessel running expenses in the Financial Statements refer to vessel operating expenses excluding amortised Dry-docking and Special Survey expenses.

Voyage Expenses - Voyage expenses mean all expenses related to a particular voyage including bunker fuels and voyage disbursements at the ports of call. Voyage disbursements include port fees, cargo loading and unloading expenses, canal tolls, agency fees and other expenses at the ports of call. Voyage costs are typically paid by the client (charterer) under Time Charter and by the Company under Voyage Charter. However, when the Company pays the voyage expenses, the Company typically adds them while calculating freight rate so that the desired Time Charter rate is achieved had the Company negotiated the Voyage as a Time charter.

Total Vessel Operating Costs - Total Vessel Operating Costs in the Financial Statements means the aggregate of vessel running expenses and voyage expenses.

Average Daily Vessel Earnings in USD (TC Rate) - Average Time Charter equivalent earnings per day per vessel computed over a 350 days cycle. The TC rate is calculated by dividing net Vessel Operating Income by 350 days per vessel.

Vessel Operating Income - Vessel Operating Income in the Financial Statements means total of Time charter income and Voyage charter income received. In other words, this is total income earned through Time and Voyage Charters.

Net Vessel Operating Income - Net Vessel Operating Income means Vessel Operating Income less Voyage expenses, and is also known as Net Time Charter Equivalent Revenue.

Dry-docking and Special survey - The Company must periodically dry-dock each of its vessels for inspection, repairs and maintenance and any modifications to comply with industry certification and or various regulations applicable to the Company's vessels. Generally, each vessel is dry-docked every 2.5 years and 5 years to carry out intermediate and special survey, respectively. The Company capitalizes these costs and depreciates them over a period of 2 years for dry-docking cost related to an Intermediate survey and 4 years for dry-docking cost related to a special survey. The depreciation amount of dry-docking and special survey costs is included in Depreciation and do not form part of vessel operating costs in the Financial Statements. However, while calculating average Vessel Operating expenses per day per vessel (Opex), the Company includes amortised portion of dry-dock and special survey cost for ascertaining complete Opex.

Depreciation - The main component of depreciation cost is depreciation on Vessels. It also includes amortisation of Dry-docking and Special survey cost as explained above, in the Financial Statements.

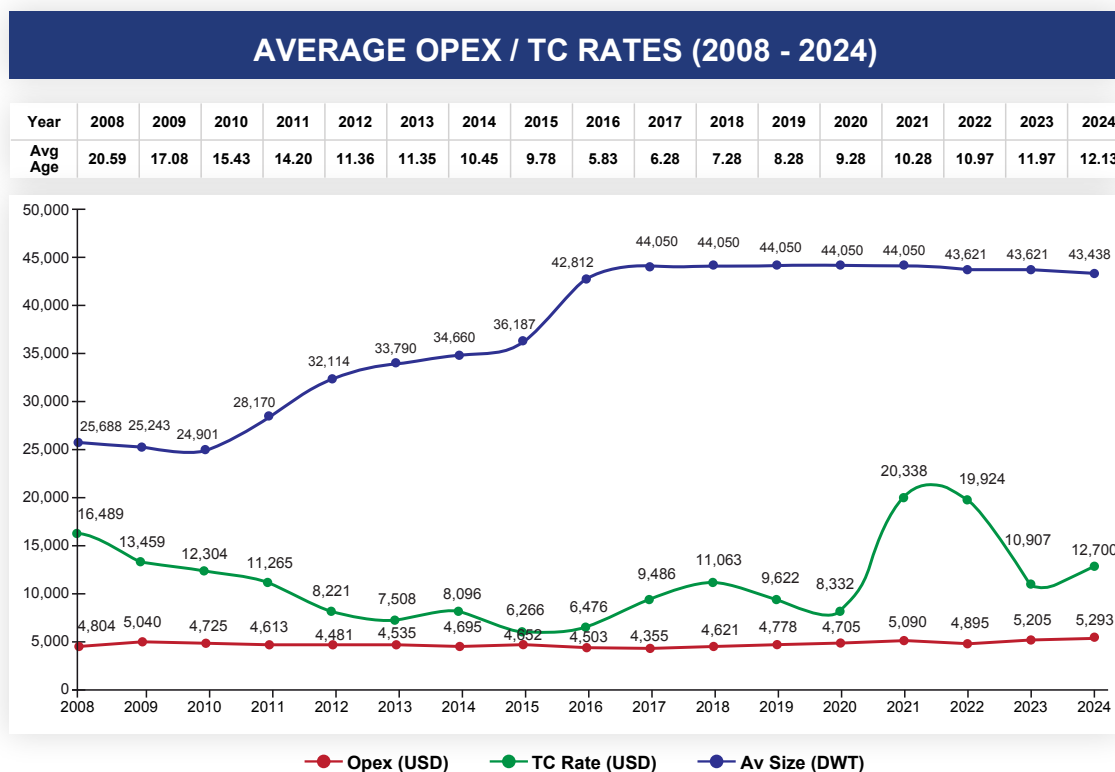
Ship Idle /Down Time - Ship idle time refers to downtime (in days) due to technical reasons only and it means the vessel was "off-hire" at dry-dock or at sea or port for repairs of a routine nature or in case of a breakdown.

Gross Profit - Gross Profit means Vessel operating income less Vessel operating costs.

Gross Profit Margin - Gross Profit margin means gross profit divided by Vessel operating income denominated in percentage.

Administrative Expenses - Administrative expenses include onshore (office) personnel payroll costs, office rent, legal and professional expenses and other expenses of an administrative nature. Administrative expenses in the Financial Statements also include cost of personnel employed for technical management of vessels. However, for calculating average Vessel operating expenses per day per vessel (Opex), such relevant portion of administrative expenses is considered and included in the Opex as Management Fees.

1.2 VESSEL EARNINGS AND VESSEL OPERATING EXPENSES



The average earning per day per vessel (TC Rate) was USD 12,700 in 2024, while the average daily operating expense per vessel (Opex) was USD 5,293.

PSL's Handysize and Supramax/Ultramax Vessels Earnings comparison with Market (Source from Clarksons)

Index	2024 Average Index	Market Average Time Charter Rate USD (Per Day)	PSL Average Time Charter Rate USD (Per Day)	Performance Over (Under) vs Benchmark
Baltic Handy Size Index (BHSI)	703	12,657	11,698	(7.58%)
Baltic Supramax Index (BSI)	1,241	13,601	14,024	3.11%

During the year 2024, the Baltic Handy Size Index (BHSI) averaged 703 points derived from the average Time Charter (TC) rate of USD 12,657 per day and as compared to that, PSL's Handysize fleet (including its cement carriers) earned USD 11,698 per day underperforming the BHSI TC rate by 7.58%. The Baltic Supramax Index (BSI) averaged 1,241 points derived from the average Time Charter (TC) rate of USD 13,601 per day and as compared to that, PSL's Supramax/Ultramax vessels earned USD 14,024 per day, outperforming the BSI TC rate by 3.11%.

PSL OPEX comparison with Industry (industry report compiled by Braemar)

For years Particulars	Industry * 2024 USD (Per Day)	PSL 2023 USD (Per Day)	PSL 2024 USD (Per Day)
Crew Cost	3,199	2,754	2,849
Insurance	409	404	393
Technical	1,506	1,455	1,350
Total Operating Costs	5,114	4,613	4,592

* OPEX industry is calculated by taking the simple average OPEX of Handysize and Supramax vessels

PSL's daily vessel operating expenses per vessel (Opex) have decreased from USD 4,613 per day (excluding USD 592 per day on account of dry-dock and special survey costs) in 2023 to USD 4,592 per day (excluding USD 701 per day on account of dry-dock and special survey costs) in 2024 which is, as always, far below the industry average as per table above.

1.3 CREDIT/LOAN FACILITIES

The details of loan facilities are summarized as follows:

Facility	Lender's Bank(s)	Borrower(s)	Tenor (Years)	Interest Rate	Repayment Term	Drawdown in 2024 Million USD	Repayment/Prepayment in 2024 Million USD	Outstanding Loan Balance as on 31 Dec 2024 Million USD
1	Export-Import Bank of Thailand	The Company, Precious Rubies Ltd., Precious Opals Ltd., Precious Venus Ltd., and Precious Neptune Ltd.	10.0	SOFR + margin	39 equal quarterly installments of 1/55 th of each loan drawdown amount, commenced 3 months after delivery of each respective vessel and a balloon repayment of the remaining balance at the end of the 40 th quarter	-	25.01	6.57
2	Export-Import Bank of Thailand	The Company, and Precious Forests Ltd.	10.0	SOFR + margin	39 equal quarterly installments of 1/55 th of loan drawdown amount, commencing from the end of the quarter after loan drawdown and a balloon repayment of the remaining balance at the end of the 40 th quarter	-	1.17	10.31
3	Export-Import Bank of Thailand	The Company, Precious Lands Ltd., Precious Lakes Ltd., Precious Ponds Ltd., Precious Comets Ltd., and Precious Ornaments Ltd.	7.0	SOFR + margin	27 equal quarterly installments commencing 3 months after the first drawdown and a balloon repayment of the remaining balance at the end of the term	-	12.46	6.44
4	International Finance Corporation, Export-Import Bank of Thailand and TMBThanachart Bank Plc.	Precious Comforts Pte. Ltd., ABC One Pte. Ltd., ABC Two Pte. Ltd., ABC Three Pte. Ltd., and ABC Four Pte. Ltd.	8.0	SOFR* + margin	The Loan, which comprises 5 vessel tranches, shall be repaid over a maximum tenor of 8 years, in 32 quarterly installments as the amounts stipulated in the agreement beginning on 30 December 2021 together with a balloon payment payable on final maturity of the Loan.	-	9.95	44.86
5	Bangkok Bank Plc, Singapore Branch (Amended Loan)	Precious Grace Pte. Ltd., Precious Skies Pte. Ltd., and Precious Tides Pte. Ltd.,	6.0	SOFR + margin	The loan shall be repaid in 24 quarterly installments, beginning three calendar months after the drawdown date	15.90	6.82	36.48
6	IYO Bank Bank, Ltd. Singapore Branch	Precious Visions Pte. Ltd.	5.0	SOFR + margin	The loan shall be repaid in 20 quarterly installments, beginning three calendar months after the drawdown date with a balloon payment payable on final maturity of the Loan.	-	1.38	6.93

Facility	Lender's Bank(s)	Borrower(s)	Tenor (Years)	Interest Rate	Repayment Term	Drawdown in 2024 Million USD	Repayment/Prepayment in 2024 Million USD	Outstanding Loan Balance as on 31 Dec 2024 Million USD
7	Export-Import Bank of Thailand	Precious Stones Shipping Ltd., and Precious Metals Ltd.	7.0	SOFR + margin	The loan, which comprises 2 tranches. Tranche A shall be repaid over a maximum tenor of 7 years, in 28 quarterly installments as the amounts stipulated in the agreement beginning three calendar months after the drawdown date with a balloon payment payable on final maturity of the Loan. Tranche B shall be repaid over a maximum tenor of 6 years, in 24 quarterly installments as the amounts stipulated in the agreement beginning three calendar months after the drawdown date with a balloon payment payable on final maturity of the Loan	-	2.81	23.44
8	International Finance Corporation, Crédit Agricole Corporate and Investment Bank, and Export-Import Bank of Thailand	Precious Waves Pte. Ltd., Precious Breeze Pte. Ltd., Precious Topaz Pte. Ltd., Precious Jade Pte. Ltd., Precious Violets Pte. Ltd., and Precious Tulips Pte. Ltd.	10.0	SOFR + margin	The loan, which comprises 6 vessel tranches, shall be repaid in 40 quarterly installments, with a balloon payment payable on final maturity of the Loan	16.41	1.09	15.32
9	Crédit Agricole Corporate and Investment Bank	Precious Glories Pte. Ltd., Precious Wisdom Pte. Ltd., Precious Bridges Pte. Ltd., and Precious Sparks Pte. Ltd.	5.0	SOFR + margin	The loan, which comprises 4 tranches. Each Tranche shall be repaid in 20 quarterly installments, together with a balloon payment payable on final maturity of the Loan	-	6.46	30.44
10	SinoPac Capital International (HK) Limited	Precious Marigold Pte. Ltd.	5.0	SOFR + margin	The loan, which comprises 2 tranches. Senior Tranche shall be repaid in 20 quarterly installments, together with a balloon payment payable on the final maturity of the Loan. Junior Tranche shall be repaid in 12 quarterly installments	18.00	0.65	17.35
11	Export-Import Bank of Thailand	Precious Rubies Ltd., and Precious Opals Ltd.	7.0	SOFR + margin	The loan shall be repaid in 28 quarterly installments, beginning three calendar months after the drawdown date.	-	-	-
12	Export-Import Bank of Thailand	The Company, and Precious Stones Shipping Ltd.	8.0	SOFR + margin	The loan shall be repaid in 32 quarterly installments, beginning three calendar months after the drawdown date with a balloon payment payable on final maturity of the Loan.	-	-	-
13	IYO Bank Bank, Ltd. Singapore Branch	Precious Hibiscus Pte. Ltd.	8.0	SOFR + margin	The loan shall be repaid in 32 quarterly installments, beginning three calendar months after the drawdown date.	13.50	-	13.50

* SOFR margin was swapped to fixed rate as mentioned in note 17 to the financial statements.

As of 31 December 2024, the Company complied with all financial covenants for all loan facilities. The details of financial covenants for each loan facility are also disclosed in note 17 to the financial statements.

1.4 FINANCIAL PERFORMANCE BASED ON US DOLLAR (FUNCTIONAL CURRENCY)

The following table summarises the financial performance of the Company for the last 2 years. All figures quoted are from the US Dollar (Functional Currency) Financial Statements per note 36 to Audited Consolidated Financial Statements.

For the year ended / as at	31-Dec-2023	31-Dec-2024	Increase (Decrease)
	Million USD	Million USD	%
Income Statement			
Total revenues	149.24	177.79	19.13
Net vessel operating income	144.51	167.98	16.24
Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) *	63.81	82.60	29.45
Depreciation *	32.85	33.61	2.31
EBIT	30.96	48.99	58.24
Finance cost	13.80	15.96	15.65
Operating profit (loss)	17.16	33.03	92.48
Non-operating profit (loss)	3.29	8.41	155.62
Net Profit (loss) before Tax	20.45	41.44	102.64
Income tax expense	0.10	0.12	20.00
Net Profit (loss) **	20.35	41.31	103.00
Financial Position			
Cash and cash equivalents	67.64	63.73	(5.78)
Total current assets	84.46	82.92	(1.82)
Restricted bank deposits	3.01	-	(100.00)
Other non-current financial assets	2.24	8.78	291.96
Property, plant and equipment	608.81	656.95	7.91
Advances for vessel construction	-	10.26	100.00
Total Assets	711.38	771.11	8.40
Advances received from charterers	1.29	0.65	(49.61)
Current portion of long-term loans	52.11	41.04	(21.24)
Total current liabilities	66.58	60.43	(9.24)
Long-term loans - net of current portion	161.97	168.35	3.94
Debentures	-	39.32	100.00
Total Liabilities	236.68	274.76	16.09
Equity share capital	51.06	51.06	-
Premium on ordinary shares	63.29	63.29	-
Total Shareholder's Equity	474.70	496.35	4.56
Net Book Value per share (USD)	0.30	0.32	6.67
Net Book Value per share (Baht)	10.42	10.81	3.74

* EBITDA and Depreciation are considered after depreciation on dry-docking and special survey expenses. These expenses are included in vessel operating costs for the purpose of computing EBITDA, which is in line with Company's policy of disclosing average daily vessel operating expenses (Opex) after including dry docking and special survey expenses.

** Net profit (loss) represents net profit (loss) attributable to equity holders of the Company.

- **Revenues and Profitability**

Total revenues have increased from USD 149.24 million in 2023 to USD 177.79 million in 2024. The net vessel operating income has increased from USD 144.51 million in 2023 to USD 167.98 million in 2024, with the average vessel earnings per day per vessel (TC Rate) increasing from USD 10,907 in 2023 to USD 12,700 in 2024. The Company operated 38 vessels at the end of 2023 compared with 40 vessels at the end of 2024. The average daily vessel operating expenses (Opex) have increased from USD 5,205 in 2023 to USD 5,293 in 2024 (including depreciation/amortisation of the drydocking/special survey expenses). Operating cash flows or Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) have increased from USD 63.81 million in 2023 to USD 82.60 million in 2024.

Although the average daily vessel operating expenses have increased, they remain far below the industry average, as explained in Section 1.2 above.

Depreciation (excluding depreciation of dry-dock and special survey cost) increased marginally from USD 32.85 million in 2023 to USD 33.61 million in 2024 as the number of vessels has increased.

Finance costs have increased from USD 13.80 million in 2023 to USD 15.96 million in 2024 mainly due to an increase in the SOFR benchmark rate.

The Company recorded an operating profit of USD 33.03 million in 2024, up from USD 17.16 million in 2023.

The Company recorded non-operating profits of USD 8.41 million in 2024, up from USD 3.29 million in 2023, primarily driven by gains of USD 4.02 million from the disposal of vessels and equipment.

Income Tax on non-shipping income was USD 0.12 million in 2024, up from USD 0.10 million in 2023.

The Company's net profit was USD 41.31 million in 2024, compared to USD 20.35 million in 2023.

- **Assets, Liabilities and Shareholders' Equity**

- Current Assets**

As compared to the end of the previous year, there is a decrease of USD 1.54 million in current assets, driven by a decrease in cash and cash equivalents of USD 3.91 million, offset by an increase in trade and other receivables of USD 3.28 million in 2024. The Company collects almost all its income in advance (95% of Freight in case of a Voyage Charter and 15 days' hire in case of Time Charter) and as such, there is usually no concern in respect of the collection of receivables and consequently, the amount presented as receivables is largely on account of miscellaneous dues from Agents, Charterers and accrual of income based on the percentage of voyage completed. The Company has an allowance for expected credit losses (ECLs) by applying the simplified approach as described in Note 4.17 to the financial statements. As of 31 December 2024, only USD 0.002 million was set aside for ECLs.

- Restricted Bank Deposits**

Restricted bank deposits decreased by USD 3.01 million as there is no longer a requirement to maintain such a balance under one of our loan agreements as detailed in note 9 to the financial statements.

- Other non-current financial assets**

Other non-current financial assets of USD 8.78 million comprise fixed deposits with maturity dates greater than 3 months, investments in debentures, and investments in equity instruments of listed and unlisted companies.

- Property, Plant and Equipment**

The value of Property, Plant and Equipment has increased from the previous year's levels due to an increase in the number of vessels. As of 31 December 2024, the Company owned 40 vessels, details of which have been provided under the Fleet List section of this Report.

Advances for vessel construction

Advances for vessels under construction amounting to USD 10.26 million pertain to installments paid to Taizhou Sanfu Shipyard for the construction of four Ultramax bulk carriers.

Total Liabilities

At the beginning of 2024, the company had USD 214.08 million of loans outstanding. During the year, total loans drawn were USD 63.81 million, while total loan repayments and prepayments were USD 67.80 million. On 31 December 2024, the Company's secured outstanding amortizing loans (net of current portion) figure stood at USD 168.35 million, while the aggregate secured outstanding amortizing loan figure was USD 209.39 million. Additionally, the Company had USD 39.32 million in outstanding debentures.

The total liabilities have increased from USD 236.68 million in 2023 to USD 274.76 million in 2024.

Shareholders' Equity

In 2024, the Company earned a net profit of USD 41.31 million and paid dividends of USD 17.56 million. After the change in CSR Reserve, other components of shareholders' equity and minority interest, the Shareholders' Equity stands at USD 496.35 million which is up from USD 474.70 million at the end of 2023. The net book value per share as of the end of 2024 is USD 0.32 (Baht 10.81).

- Leverage, Liquidity and Coverage**

For the year ended / as at	31-Dec-2023	31-Dec-2024
Ratios (times)		
Current Ratio	1.27	1.37
Total Liabilities/Equity	0.50	0.55
Debt Service Coverage ***	1.59	1.48
EBITDA/Interest	4.95	5.43

*** The ratios are calculated in compliance with the financial covenants stated in the credit facility agreements.

As of 31 December 2024, the Company's gearing (Total Liabilities/Total Shareholder's Equity) stands at 0.55X, up from 0.50X on 31 December 2023. The Company's current ratio for 2024 is 1.37X, up from 1.27X in 2023. As of 31 December 2024, the Company's debt service coverage ratio is 1.48X while the interest coverage ratio is 5.43X.

1.5 REVIEW AND ANALYSIS OF AUDITED CONSOLIDATED THAI BAHT FINANCIAL STATEMENTS

- Analysis of Income Statements**

The net vessel operating income for the year 2024 (net of voyage disbursements and bunker consumption) increased by about 18% as compared to the figure in 2023 due to an increase in average Time Charter rates. Vessel running expenses for 2024 have increased by about 0.4% as compared to 2023. In 2024, total vessel operating costs, which comprise vessel running expenses, voyage disbursements, and bunker consumption, also increased by about 0.4%, compared to total vessel operating costs for the previous year.

The Gross Profit increased by 30% compared to the previous year, while the Gross Profit Margin increased from 58% to 64%.

Interest income in 2024 increased by Baht 36.24 million as compared to 2023.

In 2024, the Company gained Baht 146.88 million from the sale of three vessels.

The Company recorded exchange gains of Baht 32.57 million in 2024 compared to Baht 11.94 million in 2023. In 2024, exchange gains were mainly on account of changes in the US Dollar equivalent figure of our Thai Baht liabilities.

Administrative expenses (including management remuneration) for 2024 increased by Baht 130.12 million as compared to 2023 mainly due to an increase in variable compensation expenses.

Corporate income tax was Baht 4.57 million for the year 2024 compared to Baht 3.58 million for the year 2023.

The total expenses (excluding depreciation) in 2024, as compared to the previous year (excluding depreciation), are higher, mainly due to an increase in variable compensation expenses.

Depreciation has increased from Baht 1,428.68 million in 2023 to Baht 1,523.33 million in 2024.

Finance costs have increased by Baht 80.09 million, mainly due to an increase in the SOFR benchmark rate.

As a result of the above factors, the Company reported a profit of Baht 1,468.28 million for 2024 compared to Baht 709.60 million in the previous year.

- **Analysis of Statements of Comprehensive Income**

The Company reported Baht 226.86 million as other comprehensive loss for the year 2024 as compared to a loss of Baht 303.00 million for the year 2023. The movement was mainly from exchange differences on translation of the functional currency to the presentation currency financial statements.

- **Analysis of Statements of Financial Position**

Current assets decreased by Baht 72.23 million compared to the end of 2023, mainly due to a decrease in cash and cash equivalent by Baht 149.00 million, while trade and other receivables increased by Baht 109.39 million.

Restricted bank deposits decreased by Baht 102.96 million as there is no longer a requirement to maintain such a balance under one of the loan agreements as detailed in note 9 to the financial statements.

Derivative assets decreased by Baht 33.25 million due to a decrease in the fair value of interest rate swap agreements, as mentioned in note 34 to the financial statements.

Other non-current financial assets increased by Baht 221.55 million, mainly due to an increase in investments in equity instruments of listed companies, as detailed in note 10 to the financial statements.

Property, Plant and Equipment increased by Baht 1,492.63 million, mainly due to an increase in the number of operating vessels.

Advances for vessel construction of Baht 348.69 million pertain to the installments paid to Taizhou Sanfu Shipyard for the construction of four new Ultramax vessels as detailed in note 14 to the financial statements.

Total assets in 2024 were Baht 26,208.28 million, up from Baht 24,345.82 million in 2023.

Total current liabilities decreased by Baht 224.65 million compared to the previous year due to a reduction in the current portion of long-term loans, advances received from charterers, and derivative liabilities, partially offset by an increase in total trade and other payables.

As of the end of 2024, the Company's long-term loans (net of current portion) figure was Baht 5,721.70 million while the aggregate long term loan figure was Baht 7,116.73 million. During the year 2024, the Company had aggregate loan drawdowns in the amount of Baht 2,262.90 million and aggregate loan repayments and prepayments in the amount of Baht 2,397.57 million.

As of 31 December 2024, the Company had Baht 1,342.66 million in debentures, which were issued during the year. As of 31 December 2024, the Company complied with all covenants for debentures as detailed in note 18 to the financial statements.

Total Liabilities increased from Baht 8,100.07 million at the end of 2023 to Baht 9,344.74 million at the end of 2024.

Total shareholders' Equity increased from Baht 16,245.75 million at the end of 2023 to Baht 16,863.53 million at the end of 2024. The movement was due to a net profit of Baht 1,468.28 million, a dividend of Baht 623.64 million, and other comprehensive income of Baht 226.86 million. The net book value per share as of the end of 2024 is Baht 10.81.

- **Analysis of Statements of Cash flows**

During the year under review, Baht 3,326.15 million of cash was generated from operations. This is about 30% higher than the cash generated from operations in the previous year.

After adjusting for Working Capital Changes, the net cash generated from operations and available for use in investing and financing activities was Baht 3,300.31 million.

During the year, the Company paid Baht 4,088.46 million for acquisitions of vessels, vessel equipment and dry docking/special survey expenses, paid Baht 350.34 million as advance for vessels under construction and invested Baht 494.20 million mainly in equity instruments of listed company. The Company received Baht 1,187.49 million from the sale of vessels and equipment, Baht 241.12 million from the redemption of debentures and sale of investment in equity instrument of listed company and a dividend in the amount of Baht 11.63 million from an investment in an associate company. After adjustments, the net cash flow used in investing activities was Baht 3,492.77 million.

During the year, the Company had aggregate loan drawdowns in the amount of Baht 2,262.90 million and aggregate loan repayments and prepayments in the amount of Baht 2,397.57 million. The Company paid Baht 609.96 million finance costs. The Company paid dividends amounting to Baht 623.64 million. The Company received Baht 102.22 million following the release of restricted bank deposits and Baht 1,360.00 million of debentures proceeds. After adjustments, the net cash flow from financing activities was Baht 73.47 million.

2. FACTORS THAT MAY IMPACT FUTURE BUSINESS OPERATIONS (TO BE READ WITH THE SUSTAINABLE DEVELOPMENT PRESENTED SEPARATELY IN THIS REPORT)

2.1 SUSTAINABILITY MANAGEMENT IN BUSINESS

The Company identified material sustainability issues covering environmental, social, and governance aspects that could impact its business operations. It also communicated its business strategies to respond to the stakeholders' expectations, which is an important factor for creating long-term value for the organization and supporting sustainable business operations.

- **Environment**

We take our obligation to reduce the environmental impact of our business very seriously. We have measurably reduced emissions by replacing our fleet of older vessels with modern fuel-efficient vessels. We committed to operating environmentally friendly ships and implemented a number of fuel-saving measures such as:

- The installation of wake equalizing ducts on 20 vessels helped achieve a 5% emission reduction per vessel.
- The installation of new propellers on two vessels helped achieve a 7% emission reduction per vessel.
- Regular cleaning of the external underwater hull and propeller so that frictional losses are kept to a minimum
- Usage of efficient hull coatings (anti-fouling paints)
- Avoiding wastage of electric power on board
- Implementation of active weather routing on voyages to increase efficiency
- Using low sulphur fuel oil rather than installing scrubbers that cause acidification of the ocean.
- Usage of additives to increase combustion and reduce sludge
- Ballast water treatment plants installed on all PSL vessels prevent the transfer of harmful bacteria and invasive species by treating water during ballasting and de-ballasting operations

To continue improving its emission-related performance and reduce its carbon footprint, PSL has specific emission reduction targets in line with IMO's goal of achieving net zero greenhouse gas emissions by 2050.

- **Social**

PSL recognizes the importance of human capital in the growth and success of its business. Therefore, we strive to enhance the competence and skills of our employees by conducting a range of in-house training and development programs for employees across the organization. PSL is committed to continuous advancement and automation of its operations to ensure the highest level of operational efficiency. Further, we are committed to implementing the latest technologies to improve operational efficiencies and reduce our environmental impact.

Over the years, we have made significant donations to community schools as well as provided scholarships to deserving students at the Merchant Marine Training Centre and various such activities since 1995.

Summary social activities included donations and scholarships in 2024 as follows.

- Donated Bangkok's first lightweight, recyclable canal-cleaning boat to the BMA to intercept waste in narrow canals before it reaches the Chao Phraya River, benefiting the city and marine ecosystems. Provided scholarships to 20 students of the Merchant Marine Training Centre.
- Contributed Baht 0.21 million to the 'Hom Bah Hai Nong' project for constructing a library, a music room, and renovating a school in Saraburi Province, and donated Baht 1.00 million to Mechai Pattana School in Lamplaimat District, Buriram Province.
- Awarded Baht 0.60 million in scholarships to 20 school and college students.

To mark World Maritime Day in 2024, PSL employees made contributions to the community and marine conservation in Rayong by cleaning up Saeng Chan Beach and building crab habitats at Phra Chedi Klang Nam.

- **Governance**

The Company recognizes that good Corporate Governance is important and necessary for sustainable growth in business and long-term shareholder value, and accordingly, the Board of Directors has reinforced corporate governance by including policies and directions on operating the business, set up adequate internal controls and internal audit systems and monitoring management to perform effectively under the policy to ensure long term interests of shareholders under applicable laws with full transparency and correct business ethics.

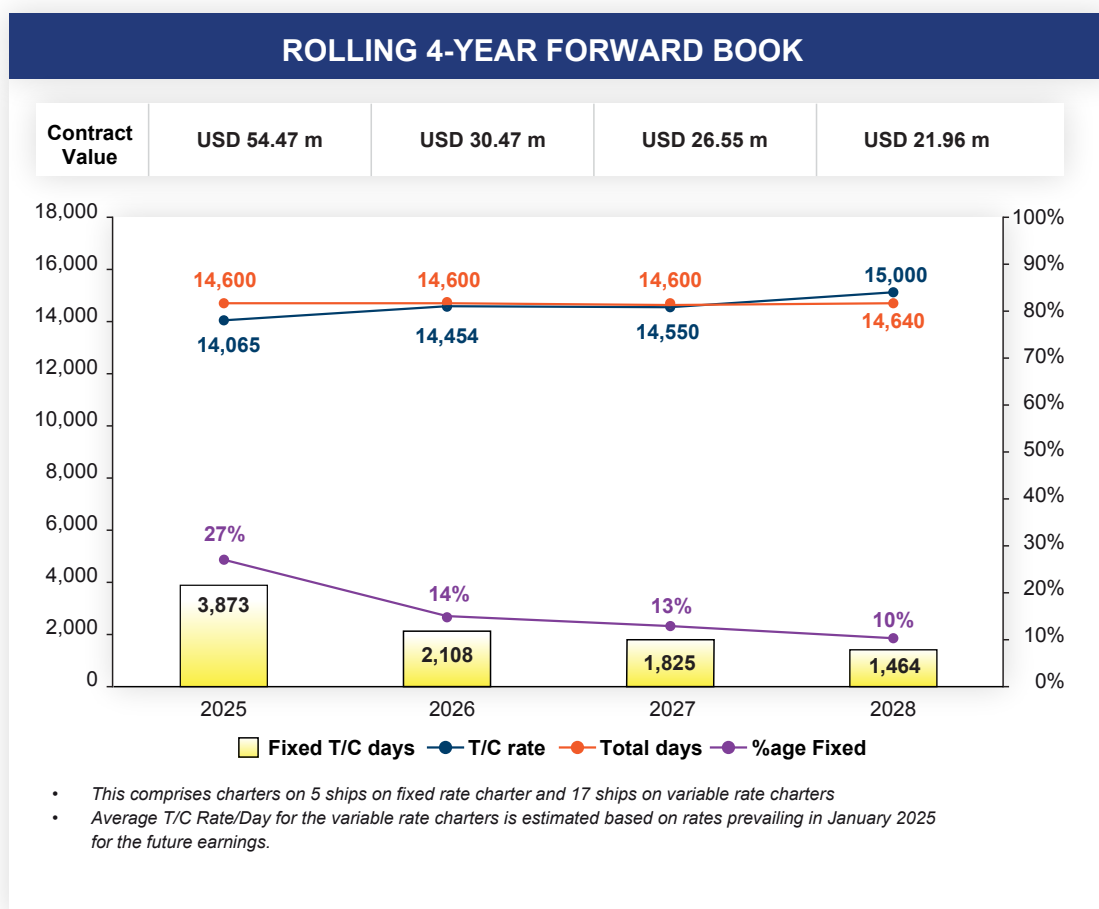
Awards and Recognitions for Good Corporate Governance in 2024

- Achieved a AA rating in the Stock Exchange of Thailand's ESG Rating exercise for 2024.
- Included in the Stock Exchange of Thailand's Thailand Sustainability Investment (THSI) list for the fourth consecutive year.
- Classified as a company with "Excellent" Corporate Governance for 15 consecutive years from 2010 to 2024 by Thailand's Institute of Directors & the National Corporate Governance Committee.
- Earned 100 full AGM assessment scores for seven consecutive years from 2018 to 2024 by the Thai Investors Association (TIA).
- Ranked in the top 12% of global listed transportation companies in S&P corporate sustainability assessment (CSA) rankings for 2024.

2.2 MARKET CONDITIONS (TO BE READ WITH THE BOARD OF DIRECTORS' REPORT PRESENTED SEPARATELY IN THIS REPORT)

The principal business of Precious Shipping PCL (hereinafter referred to as PSL or the Company) is to own and operate geared dry bulk carriers on a tramp-shipping basis worldwide. While its beginnings were in the smaller Handysize segment, in late 2011, the Company expanded into the larger Supramax segment by acquiring nine vessels over a period of two years. In 2014 and 2015, the Company took delivery of four newbuilding double hull cement carriers, which were custom-built for a customer and chartered to them for the long-term. From 2014 to 2017, the Company took delivery of eight newbuilding Ultramax vessels, which remain the largest in its fleet. As part of its fleet renewal program, the Company acquired two secondhand handysize vessels in 2022 and five in 2024, while also ordering four Ultramax newbuilding vessels in 2024.

Starting from the year 2004, PSL had put in place its business strategy to enter into long-term time charters (Period Charters) at reasonably high freight rates, whenever possible, for periods ranging from 3 months to 5 years or longer at opportune times. This policy was successfully applied right until the third quarter of 2008 after which the market dropped and remained depressed for about a decade, during which time it was not possible to renew or enter into new period charters at attractive rates. PSL's intention is to continue to charter out our vessels on long-term time charters whenever practical and economically viable. In 2021, dry-bulk freight markets strengthened to a level not seen since 2008 and so the Company was to a limited extent, able to implement its strategy of entering into long term time charters. From 2022 to 2024, the Company continued its strategy by entering into long-term time charters contracts at levels linked to the underlying index for vessels of that size. The rolling 4-year forward book of long-term time charters over one year is presented below:

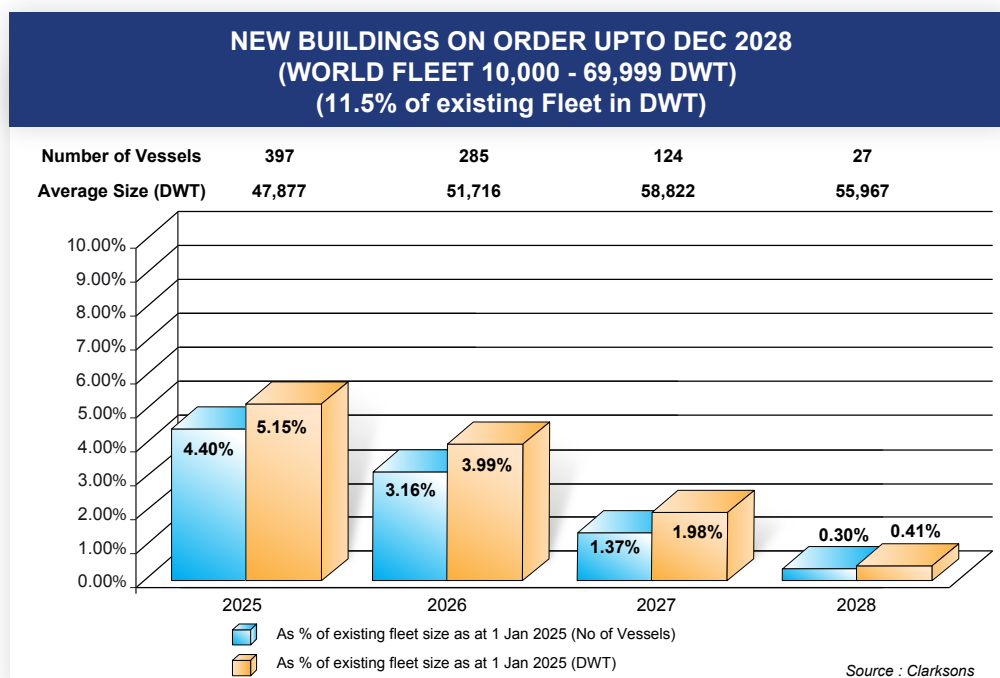


The Total Days in the above chart are based on our existing fleet of 40 vessels as of the end of 2024.

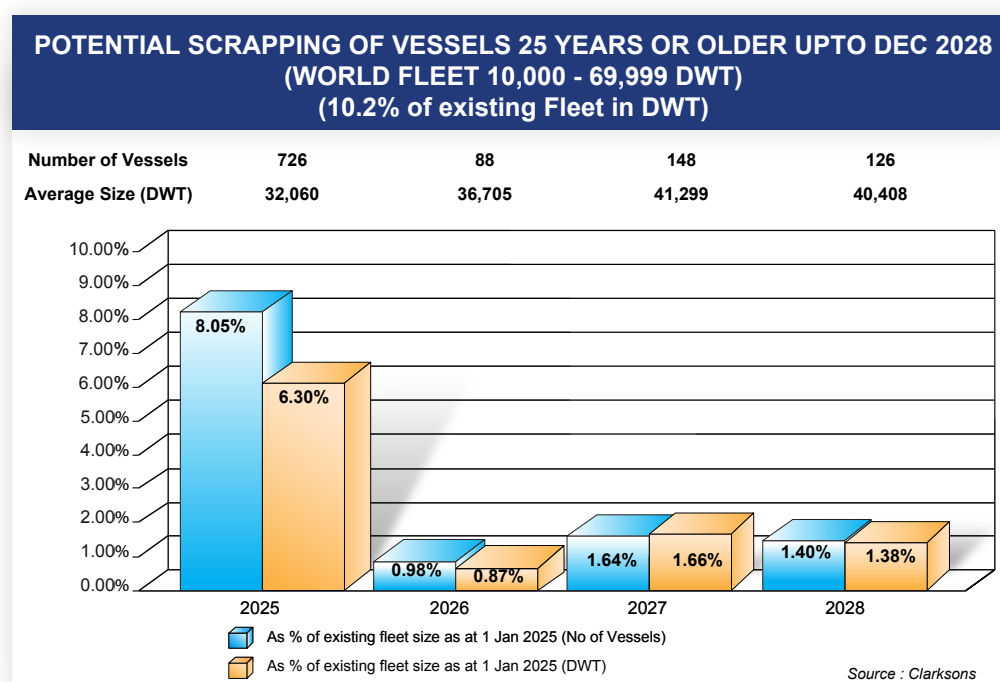
For further discussions and analysis of the market conditions, please refer to the Board of Directors' Report presented separately in this Report.

2.3 INDUSTRY OVERVIEW - WORLD DEMAND-SUPPLY OUTLOOK (TO BE READ WITH THE BOARD OF DIRECTORS' REPORT PRESENTED SEPARATELY IN THIS REPORT)

2.3.1 World Fleet (10,000 - 69,999 DWT) – 9,021 vessels of 369.30 million DWT

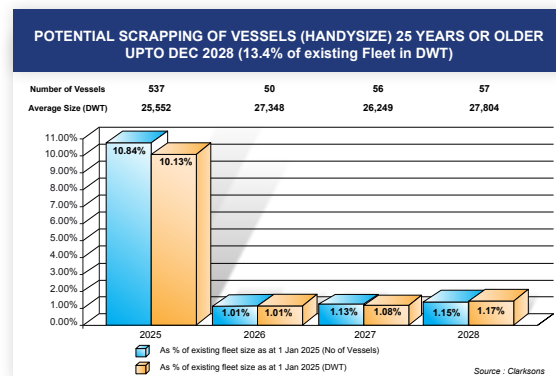
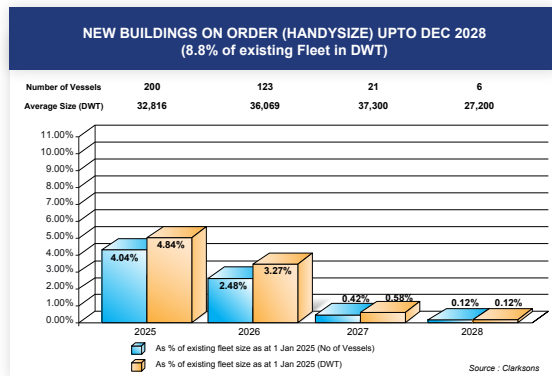


As of 31 December 2024, the world fleet in the 10,000 - 69,999 DWT size range comprises 9,021 vessels of 369.30 million DWT. It is evident from the charts above and below that during the next 4 years, 833 vessels have been contracted to be delivered against 1,088 vessels that are aged over 25 years old and likely to be recycled, representing a net increase of 1.3% of the existing world fleet in terms of DWT. The effect of regulations for EEXI and CII could force shipowners to recycle old vessels earlier, and therefore, we can expect fleet growth to stay at or around these low levels and this should help maintain demand-supply balance in the market.



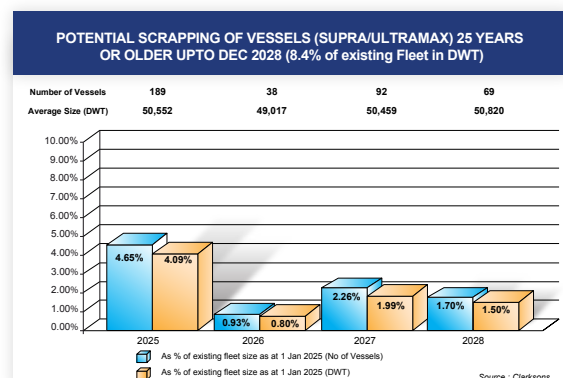
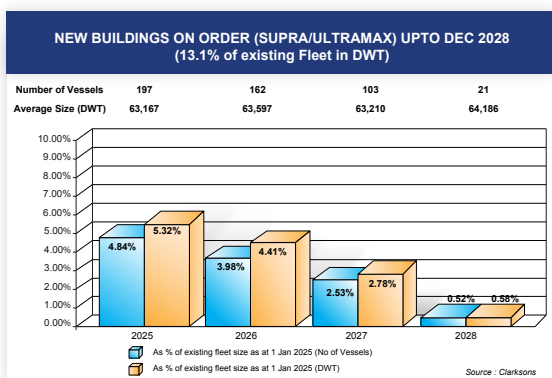
The details of new buildings on order and potential recycling of vessels by fleet size are as follows

2.3.2 Handysize Fleet (10,000 - 44,999 DWT) - 4,954 vessels of 135.50 million DWT



From the above charts, it is evident that over the next 4 years, there are 350 Handysize vessels to be delivered, against 700 Handysize vessels which are over 25 years old and likely to be recycled, representing a net decrease of 4.6% of the existing Handysize Fleet in DWT terms.

2.3.3 Supramax/Ultramax Fleet (45,000 - 69,999 DWT) – 4,067 vessels of 233.80 million DWT



From the above chart, it is evident that over the next 4 years, there are 483 Supramax/Ultramax vessels to be delivered, against 388 Supramax/Ultramax vessels that are aged over 25 years old and likely to be recycled, representing a net increase of 4.7% of the existing Supramax/Ultramax Fleet in DWT terms. However, it may be noted that the figures above include old ungeared ships that are of this size range and, therefore, cannot be considered strictly as Supramax/Ultramax vessels.

3. SIGNIFICANT FINANCIAL INFORMATION

3.1 Statement of financial position

	Consolidated Financial Statements		
	2022	2023	2024
Assets			
Current assets			
Cash and cash equivalents	1,055,667,444	2,314,984,719	2,165,987,809
Trade and other receivables	279,149,273	295,394,486	404,781,264
Bunker oil	41,819,267	30,141,521	14,617,396
Other current financial assets	-	95,110,384	89,039,923
Other current assets			
Advances to vessel masters	37,007,863	35,762,134	33,149,277
Claim recoverables	12,799,390	-	1,038,552
Lube oil stock on board	91,046,628	84,761,164	69,124,315
Others	39,966,968	34,252,853	40,439,926
Total other current assets	180,820,849	154,776,151	143,752,070
Total current assets	1,557,456,833	2,890,407,261	2,818,178,462
Non-current assets			
Restricted bank deposits	100,382,755	102,960,837	-
Derivative assets	274,862,486	125,921,407	92,670,252
Other non-current financial assets	18,100,095	76,769,537	298,314,585
Investment in associate held by a subsidiary	80,644,761	81,747,003	80,593,252
Property, plant and equipment	22,048,146,324	20,835,595,355	22,328,224,199
Right-of-use assets	15,633,143	9,456,886	20,822,290
Intangible assets	5,583,982	4,110,568	3,059,773
Other non-current assets			
Claim recoverables - maritime claims	70,777,229	59,914,320	42,586,669
Advances for vessel constructions	-	-	348,688,664
Deferred contract costs	129,143,691	108,935,971	89,324,756
Deferred financial fees	-	46,952,561	82,459,339
Others	3,233,389	3,047,351	3,355,373
Total other non-current assets	203,154,309	218,850,203	566,414,801
Total non-current assets	22,746,507,855	21,455,411,796	23,390,099,152
Total assets	24,303,964,688	24,345,819,057	26,208,277,614

3.1 Statement of financial position (continued)

Consolidated Financial Statements			
	2022	2023	2024
Liabilities and shareholders' equity			
Current liabilities			
Trade and other payables			
Trade and other payables	229,485,798	62,278,105	340,370,873
Accrued crew accounts	100,996,598	97,825,564	15,410,231
Accrued expenses	81,591,681	73,831,159	96,524,276
Current portion of accrued employee benefits	172,309,065	169,261,020	156,152,695
Total trade and other payables	584,383,142	403,195,848	608,458,075
Advances received from charterers	54,695,861	44,046,078	21,934,742
Current portion of long-term loans	1,161,783,910	1,783,362,689	1,395,023,884
Current portion of lease liabilities	5,704,577	4,421,980	4,453,971
Derivative liabilities	-	19,514,126	-
Income tax payable	1,767,934	2,217,005	1,033,618
Other current liabilities	59,130,566	21,748,806	22,948,449
Total current liabilities	1,867,465,990	2,278,506,532	2,053,852,739
Non-current liabilities			
Accrued employee benefits - net of current portion	230,257,126	95,673,939	49,151,622
Long-term loans - net of current portion	5,547,288,752	5,542,998,761	5,721,704,892
Debentures	-	-	1,342,664,787
Lease liabilities - net of current portion	9,065,079	4,936,837	16,450,226
Deferred tax liabilities	1,532,803	1,801,784	1,700,671
Provision for maritime claims	55,433,804	42,037,472	15,961,636
Provision for long-term employee benefits	130,111,971	134,113,787	143,258,005
Total non-current liabilities	5,973,689,535	5,821,562,580	7,290,891,839
Total liabilities	7,841,155,525	8,100,069,112	9,344,744,578
Shareholders' equity			
Share capital			
Registered share capital			
1,559,291,862 ordinary shares of Baht 1 each	1,559,291,862	1,559,291,862	1,559,291,862
Issued and paid-up share capital			
1,559,291,862 ordinary shares of Baht 1 each	1,559,291,862	1,559,291,862	1,559,291,862
Paid-in capital			
Premium on ordinary shares	1,967,897,516	1,967,897,516	1,967,897,516
Premium on treasury stock	172,445,812	172,445,812	172,445,812
Retained earnings			
Appropriated			
Statutory reserve - the Company	155,929,186	155,929,186	155,929,186
- subsidiaries	571,500,000	479,260,000	497,932,000
Corporate social responsibility reserve	57,162,181	57,652,601	58,065,488
Unappropriated	11,690,107,761	11,867,802,602	12,693,363,217
Other components of shareholders' equity	288,433,916	(14,570,564)	(241,435,766)
Equity attributable to owners of the Company	16,462,768,234	16,245,709,015	16,863,489,315
Non-controlling interests of the subsidiaries	40,929	40,930	43,721
Total shareholders' equity	16,462,809,163	16,245,749,945	16,863,533,036
Total liabilities and shareholders' equity	24,303,964,688	24,345,819,057	26,208,277,614

3.2 Income statement

Consolidated Financial Statements			
	2022	2023	2024
Revenues			
Vessel operating income			
Time charter income	8,992,495,651	5,016,037,638	5,905,243,553
Voyage charter income	132,297,244	78,618,622	74,861,766
Total vessel operating income	9,124,792,895	5,094,656,260	5,980,105,319
Service income	3,941,486	4,853,326	5,249,589
Interest income	14,593,731	44,376,870	80,615,138
Dividend income	-	507,490	5,873,741
Gains on disposal of vessels and equipment	-	-	146,876,552
Gain on derivatives	-	35,900,388	8,992,362
Gains on other financial assets	-	-	3,515,609
Exchange gains	497,429	11,937,908	32,568,588
Other income	2,815,371	743,944	3,356,193
Total revenues	9,146,640,912	5,192,976,186	6,267,153,091
Expenses			
Vessel operating costs			
Vessel running expenses	1,983,300,244	2,095,286,314	2,104,581,861
Voyage disbursements	38,938,735	35,193,709	40,160,292
Bunker consumption	48,438,189	30,288,679	23,788,904
Total vessel operating costs	2,070,677,168	2,160,768,702	2,168,531,057
Depreciation	1,324,374,022	1,428,684,321	1,523,326,311
Cost of services	5,647,373	5,576,636	6,535,448
Administrative expenses	370,616,540	334,132,630	437,829,535
Management remuneration including perquisites	145,901,550	91,258,156	117,683,832
Reversal expected credit losses	(1,348,625)	-	-
Losses on derivatives	1,414,309	-	-
Total expenses	3,917,282,337	4,020,420,445	4,253,906,183
Operating profit	5,229,358,575	1,172,555,741	2,013,246,908
Share of profit from investment in associate held by a subsidiary	29,131,662	21,218,259	20,287,119
Finance cost	(392,348,870)	(480,596,627)	(560,683,805)
Profit before income tax expenses	4,866,141,367	713,177,373	1,472,850,222
Income tax expenses	(15,352,015)	(3,575,091)	(4,566,558)
Profit for the year	4,850,789,352	709,602,282	1,468,283,664
Profit attributable to:			
Equity holders of the Company	4,850,786,205	709,601,871	1,468,280,515
Non-controlling interests of the subsidiaries	3,147	411	3,149
Profit for the year	4,850,789,352	709,602,282	1,468,283,664
Basic earnings per share			
Profit attributable to equity holders of the Company	3.11	0.46	0.94

3.3 Statement of comprehensive income

	Consolidated Financial Statements		
	2022	2023	2024
Profit for the year	4,850,789,352	709,602,282	1,468,283,664
Other comprehensive income:			
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>			
Gains on measurement of fair value of financial assets	-	-	740,052
Exchange differences on translation of financial statements in foreign currency	(637,931)	2,029,317	(11,958,177)
Gains (losses) on cash flow hedges	276,341,014	(141,966,249)	(32,114,481)
Changes in cost of hedging	(1,317,873)	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods	274,385,210	(139,936,932)	(43,332,606)
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>			
Gains(Losses) on measurement of fair value of financial assets	2,892,281	4,739,108	(26,872,813)
Actuarial gains	47,395,540	-	-
Exchange differences on translation of functional currency to presentation currency financial statements	429,869,614	(167,807,066)	(156,660,141)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods	480,157,435	(163,067,958)	(183,532,954)
Other comprehensive income for the year	754,542,645	(303,004,890)	(226,865,560)
Total comprehensive income for the year	5,605,331,997	406,597,392	1,241,418,104
Total comprehensive income attributable to:			
Equity holders of the Company	5,605,327,666	406,597,391	1,241,415,313
Non-controlling interests of the subsidiaries	4,331	1	2,791
	5,605,331,997	406,597,392	1,241,418,104

3.4 Cash flow statement

	Consolidated Financial Statements		
	2022	2023	2024
Cash flows from operating activities			
Profit before tax	4,866,141,367	713,177,373	1,472,850,222
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:			
Depreciation and amortisation	1,325,783,590	1,430,126,361	1,524,785,903
Reversal expected credit losses	(1,348,625)	-	-
Amortisation of deferred contract costs	19,490,323	19,253,234	19,536,305
Write-off equipment	21,547	6,726	25,915
Gains on disposal of motor vehicle, vessels and equipment	(359,118)	(700,502)	(146,876,552)
Share of profit from investment in associate held by a subsidiary	(29,131,662)	(21,218,259)	(20,287,119)
Reversal of provision for maritime claims	(25,828,686)	(2,844,033)	(8,622,995)
Provision for long-term employee benefits	11,605,983	10,081,690	9,109,840
Unrealised exchange losses (gains)	19,772,200	(10,692,690)	(47,964,865)
Write-off deferred financial fee	-	-	1,769,182
Amortised financial fees to interest expenses	23,334,423	18,910,927	14,163,975
Finance cost	362,220,539	436,083,294	525,495,545
Amortisation of deferred debentures issuing cost	-	-	543,752
Dividend income	-	(507,490)	(5,873,741)
(Gains) losses on derivatives	1,414,309	(35,900,388)	(8,992,362)
Gains on other financial assets	-	-	(3,515,609)
Write-off withholding tax deducted at source	3,133,175	132,684	-
Profit from operating activities before changes in operating assets and liabilities	6,576,249,365	2,555,908,927	3,326,147,396
Operating assets (increase) decrease			
Trade and other receivables	(101,263,570)	(22,503,076)	(111,629,070)
Bunker oil	(23,426,715)	11,554,043	(49,295,331)
Other current assets	(25,503,936)	28,612,660	11,096,100
Other non-current assets	(60,048)	186,136	(717,764)
Operating liabilities increase (decrease)			
Trade and other payables	214,079,889	(173,306,168)	204,012,921
Advances received from charterers	(40,155,707)	(10,279,516)	(21,221,222)
Other current liabilities	(2,729,860)	(36,288,818)	(8,123,612)
Other non-current liabilities	19,455,150	(123,074,294)	(45,774,111)
Cash flows from operating activities	6,616,644,568	2,230,809,894	3,304,495,307
Cash paid for long-term employee benefits	(9,441,060)	(6,027,952)	-
Cash received from withholding tax refund	-	-	1,827,586
Cash paid for corporate income tax and withholding tax	(3,150,552)	(4,919,058)	(6,009,134)
Net cash flows from operating activities	6,604,052,956	2,219,862,884	3,300,313,759

3.4 Cash flow statement (continued)

	Consolidated Financial Statements		
	2022	2023	2024
Cash flows from investing activities			
Acquisitions of condominium unit, vessels, equipment and payment of dry-dock and special survey expenses	(2,446,160,135)	(409,532,237)	(4,088,459,536)
Proceed from disposal of motor vehicle, vessels and equipment	359,551	700,504	1,187,487,458
Acquisitions of computer software	(400,706)	-	(4,147)
Cash paid for advances for vessels construction	-	-	(350,344,337)
Cash paid for other financial assets	-	(152,944,526)	(494,200,559)
Proceeds from sales of other financial assets	-	-	241,115,218
Dividend received	30,282,716	21,157,323	11,633,357
Net cash flows from (used in) investing activities	(2,415,918,574)	(540,618,936)	(3,492,772,546)
Cash flows from financing activities			
Decrease (increase) in restricted bank deposits	22,711,824	(2,912,290)	102,216,261
Cash paid for interest expense	(371,819,680)	(428,274,141)	(502,294,084)
Cash paid for deferred financial fees	(6,539,484)	(79,398,076)	(78,631,096)
Cash paid for issuing debentures	-	-	(17,889,930)
Cash paid for the guarantee fee on debentures	-	-	(11,140,647)
Repayment of principal portion of lease liabilities	(7,071,527)	(7,171,542)	(8,992,283)
Cash received from (paid for) derivatives	(1,352,892)	56,077,298	(11,502,907)
Cash received from long-term loans	591,824,160	3,080,865,240	2,262,901,575
Repayment of long-term loans	(1,345,752,868)	(1,225,303,062)	(1,055,026,898)
Prepayment of long-term loans	(1,079,688,540)	(1,138,431,793)	(1,342,539,773)
Cash received from debentures	-	-	1,360,000,000
Dividend paid	(3,507,538,702)	(623,656,610)	(623,635,013)
Net cash flows used in financing activities	(5,705,227,709)	(368,204,976)	73,465,205
Increase (decrease) in translation adjustments	104,551,417	(51,721,697)	(30,003,328)
Net increase (decrease) in cash and cash equivalents	(1,412,541,910)	1,259,317,275	(148,996,910)
Cash and cash equivalents at beginning of year	2,468,209,354	1,055,667,444	2,314,984,719
Cash and cash equivalents at end of year	1,055,667,444	2,314,984,719	2,165,987,809

3.5 Financial Ratios

	Consolidated Financial Statements		
	2022	2023	2024
Liquidity			
Current ratio (times)	0.83	1.27	1.37
Quick ratio (times)	0.71	1.15	1.25
Profitability			
EBITDA margin (%)	71.97	50.53	56.78
Gross profit margin (%)	77.26	57.52	63.66
Operating margin (%)	71.60	49.18	54.38
Net profit margin (%)	53.03	13.66	23.43
Return on equity (ROE) (Average) (%)	31.47	4.36	8.87
Financial Policy			
Debt service coverage ratio (times)	5.67	1.47	2.55
Total debts to total equity (times)	0.48	0.50	0.55
Interest-bearing debt to equity ratio (times)	0.41	0.45	0.50
Dividend per shares (baht/share)	1.75	0.25	0.40
Dividend payout ratio (%)	56	54	42
Debt from financial institutions to total liabilities (times)			
Efficiency			
Return on asset (ROA) (Average) (%)	20.28	2.92	5.81
Return On Fixed Assets (%)	22.92	3.40	6.58

LEGAL DISPUTES

As of 31 December 2024, apart from the Chayanee Naree case as explained below, there are no material Legal Disputes which the Company and/or its Subsidiaries are involved in.

Please see the following details of the Chayanee Naree case:

- On 5 August 2021, Precious Visions Pte. Ltd., which is a subsidiary of the Company and the owner of M.V. Chayanee Naree (the “Vessel”), signed a voyage charter contract to load 46,000 metric tons of bulk sugar from Santos, Brazil, for discharge in Lagos, Nigeria.
- On 18 September 2021, drugs were found inside one of the cargo holds of the Vessel while she was at the loading port in Santos, Brazil. The Brazilian authorities conducted a thorough investigation at the time, after which they were satisfied that none of our crew members were involved in or assisted in the smuggling of drugs. The Brazilian authorities permitted the Vessel to sail out of Brazil on 19 September 2021 without pressing any charges on any crew members and/or the ship or the owning company.
- Upon arriving at the discharge berth in Lagos on 9 October 2021, the Nigerian authorities conducted an extensive search of the Vessel; however, no suspicious objects were uncovered. The Vessel then commenced discharge of her cargo on the same day (9 October 2021).
- On 13 October 2021, drugs were found in a hold of the Vessel.
- On 29 October 2021, discharge was completed, and the National Drug Law Enforcement Agency (NDLEA) obtained an ex-parte order from a Nigerian court for an interim attachment of the Vessel and a remand of the 22 crew members for 14 days.
- On 8 December 2021, the NDLEA filed a charge in the Federal High Court of Nigeria against the Vessel and 3 crew members (and 9 unrelated persons who are not working for the Company) for alleged unlawful transport of drugs. On 31 January 2022, the NDLEA filed an amended chargesheet to include an additional 7 crew members of the Vessel, bringing the total number of crew members charged to 10.
- The insurers of the Company issued two Letters of Undertaking (“LOU”) to the NDLEA as security for the release of the Vessel and the 12 crew members who have not been charged.
- The ten crew members who have been charged are required to remain in Nigeria until legal proceedings are completed.
- After obtaining departure clearances for the Vessel from the Nigerian Navy and other government agencies, the Vessel, along with her crew, sailed out of Lagos port in Nigeria on 17 May 2022.
- The trial against the Vessel and the 10 crew members commenced in the Federal High Court of Nigeria in July 2022. The subsequent hearings occurred in November 2022, January 2023 and July 2023.
- During the July hearing, the prosecution witness testimony was concluded. Subsequently, on 27 July 2023, the Company’s lawyers filed ‘no-case’ submissions, contending that the prosecution had not presented sufficient evidence against the crew and the Vessel, and therefore, the charges should be dismissed without the defense having to present its case.
- On 4 December 2023, there was a hearing for oral arguments on our no-case submissions.
- On 20 February 2024, the Court rejected our no-case submissions, ruling that there was a case to answer due to drugs being found on board the Vessel. Consequently, the defendants are required to file their defense and proceed to a full trial. As a result, we are required to file our defence and proceed to a full trial. The full trial began in October 2024 and is expected to continue well into 2025.
- In March 2024, the Company’s legal team in Nigeria filed an appeal against the ruling on our no-case submissions. The appeal will be considered by a panel of three different judges.
- The Company is working closely with its insurance company and legal counsel to ensure that the case is fully resolved as early as possible.

Part 2

CORPORATE GOVERNANCE



CORPORATE GOVERNANCE POLICY

Definition

Corporate governance is a set of structures and processes of relationships between a Company's management, its board and its shareholders to enhance its competitiveness towards business prosperity and long-term shareholder value taking into consideration the interests of other stakeholders.

The above definition is as recommended by the SEC and the Company has endeavored to follow it completely in letter and spirit.

Corporate Governance Policy

Precious Shipping Public Company Limited ("the Company") recognizes that good corporate governance is important and necessary for sustainable growth in business and long term shareholder value, and accordingly, the Board of Directors has reinforced corporate governance by including policies and directions on operating the business, set up adequate internal controls and internal audit systems and monitoring management to perform effectively under the policy to ensure long term interests of shareholders under applicable laws with full transparency and correct business ethics. The Board has set up a corporate governance policy manual, a business ethics and code of conduct manual and an anti-corruption policy manual which have been circulated to all the Company's employees in a hard copy form and via email and disclosed on the Company's website under the subject of "Corporate Governance". The Company reviews and updates these manuals regularly in order to ensure that these manuals meet the present requirements and are suitable for the current circumstances.

The Company's corporate governance policy manual consists of:

- Right and equitable treatment of shareholders and various groups of stakeholders
- Structure, rules, duties, responsibilities, and independence of the Board of Directors
- Information disclosure and transparency
- Supervision of subsidiaries and associated companies
- Controlling system and risk management
- Business ethics

The Board of Directors regularly monitors its corporate governance compliance, through the Audit and Corporate Governance Committee, which annually reviews and provides its opinions to the Board of Directors regarding the implementation of the CG Code within the Company, in order to ensure that good corporate governance is followed within the Company for the sustainability of the Company. The Company has adopted the terms of the CG Code which are suitable for its business.

1. Overview of corporate governance policy and the relevant guidelines

1.1 Corporate governance policy and guidelines in relation to the directors

1.1.1 Nomination of directors and top executives

The Nomination and Remuneration Committee has been appointed by the Board of Directors in order to set up a mechanism to assist the board to independently propose criteria and set guidelines for the nomination of new directors and recruitment and selection of top executives, and thereafter propose to the Board of Directors who could then consider the proposal and decide to accept or reject the same or amend it for further approval by shareholders if required (for the appointment of directors).

Board diversity policy

The Nomination and Remuneration Committee shall review the structure and composition of the Board of Directors, and search for candidates with qualifications appropriate for the Company's situation and needs.

The Nomination and Remuneration Committee evaluates the range of skills, experience, expertise and diversity of the existing directors, and identifies other appropriate qualifications giving consideration in line with the Company's strategic direction, and gaps that need to be filled. Consideration is given to the balance of independent directors on the board and the best practice recommendations as set out in the SET corporate governance principles.

Policy on succession plan

The Board of Directors shall ensure a systematic nomination for the proper candidate to replace a director or top executive position suitably in line with the succession planning policy. The Nomination and Remuneration Committee is appointed to propose the appointments of new directors and key executives (Managing Director and executive directors) to the board by considering the proper candidate both from internal and external candidates. The Nomination and Remuneration Committee is responsible for considering candidates' skills, experience, and specific qualifications for the best interest of the Company.

Criteria to nominate/appoint directors

The Company recognises that diversity at the board level is an essential element in supporting the attainment of its strategic objectives and its sustainable development. All board appointments are based on merit. Candidates are considered against appropriate criteria which are as follows:

- Utilizing the board skill matrix ensures that the entire Board of Directors possesses the necessary qualifications and expertise.
- Consideration is based on a range of diverse perspectives, including gender, age and educational background, skills, knowledge, professional experience, and devotion of potential candidates expected to enhance the board.
- Consideration of the qualities of leadership, vision, ethics, and honesty to uphold the highest principles of good corporate governance.
- The candidate must not be a person blacklisted by any organization (including the SEC) or convicted of any crime.
- The candidate as an independent director must be qualified in accordance with the independent director's qualification.
- Consider other qualifications as may be advisable.

Criteria to nominate/appoint top executives including the Managing Director

The Nomination and Remuneration Committee considers the following criteria below when determining whether to nominate/appoint a top executive, including the Managing Director.

- Skills, knowledge, relevant qualification, and professional experience in business operations.
- Leadership potential, integrity, and vision.
- Specific requirements for the position of Managing Director: substantial experience in related industries and international trade as well as industries knowledge.
- No blacklisting by any organization (including the SEC) or criminal conviction.
- After review, the Nomination and Remuneration Committee submits its recommendations to the Board of Directors for consideration and approval.

Procedure for nominating/appointing top executives including the Managing Director

The Company follows the following procedure when selecting and appointing new executives including the Managing Director:

- The Nomination and Remuneration Committee identifies the qualifications, skills, knowledge, experience, and expertise of candidates for any top executive position that the Company needs which should be in line with the Company's strategic direction.
- The Nomination and Remuneration Committee screens the profiles of the applicants, interviews them, and shortlists the preferred candidates who fit the criteria. The Nomination and Remuneration Committee then proposes such suitable candidate for the board's consideration by way of submitting its recommendations to the board.
- The board may interview such candidate as the board deems fit before the board concludes its decision.

1.1.2 Directors and management remuneration

Directors' remuneration

The Board of Directors has designated the Nomination and Remuneration Committee to recommend guidelines for setting directors and top executive remuneration in accordance with international standards and comparable with other equivalent listed companies including companies in the related industries. The remuneration given shall be appropriate with the position, duty, responsibility and performance of each director and key executive. Directors' remuneration will be subject to approval at the shareholder meeting.

Remuneration criteria

- The directors' remuneration must be agreed by the Board of Directors and recommended to the shareholders for their approval.
- The directors' remuneration shall be a fixed amount per annum.
- Depending on the quantity and scope of the subcommittee's roles and responsibilities, only a member who is not an executive director of any subcommittee may receive additional compensation, subject to the shareholders' approval.
- The remuneration criterion shall include consideration of financial status and performance of the Company and in accordance with international standards and comparable with other listed companies in general and should also be comparable with listed companies in the same sector in Thailand and abroad.

Management remuneration

The management remuneration is fixed in accordance with the principles and policies set by the Board of Directors. The Board of Directors directly and specifically approves the remuneration of the Executive Board and the director employed in an executive capacity in the Company's subsidiary based on the remuneration in the industry for equivalent positions, financial status/performance of the Company and their respective individual performances.

The remuneration of the top executives included their salary, bonus, and other benefits. In addition, remuneration shall be considered or evaluated by others who supervise the given person and shall not be done by the one who receives the remuneration. The remuneration of management has been disclosed hereinabove under "**Organization Structure**".

1.1.3 Segregation of positions between the Board of Directors and the top executive

The Board of Directors plays an important role in corporate governance for the maximum benefit of the Company and the shareholders. The role of the Chairman is distinct from the role of the Managing Director in that the Chairman is the chief representative of the shareholders whereas the Managing Director is the leader of the managers. Combining the two roles creates an inherent conflict of interest.

To avoid this conflict of interest, the Company ensures that the Chairman of the Board of Directors and the Managing Director are not the same individual. The Chairman of the Board of Directors is an independent director, as defined by the SET and does not have any relationship with the management.

The Chairman of the Board shall not be Chairman or member of the other subcommittees.

The Board of Directors will evaluate the performance of the Managing Director annually, whilst the Managing Director will evaluate the performance of top executives who report to him. Each evaluation will be based on targets relating to the Company's strategic and annual plan, to help appropriately determine the remuneration and other fringe benefits.

The roles and responsibilities of the Chairman of the Board of Directors and the Managing Director are provided hereunder **"Organization Structure"** of the annual report.

1.1.4 Other committees

The Board of Directors appointed several committees as part of the good corporate governance policy of the Company viz. the Audit and Corporate Governance Committee, Executive Board of Directors, Sustainability and Risk Management Committee and Nomination and Remuneration Committee.

The Audit and Corporate Governance Committee comprises entirely of independent directors.

The details of these committees such as names and number of members, qualifications, duties, and responsibilities are disclosed on the website of the Company and under the subject **"Organization Structure"** of this annual report.

1.1.5 Board's and sub-committees' self-assessment

The board and its sub-committees shall perform an annual self-assessment to be used as a framework for reviewing their performance. The result will be reported to the board by the Company secretary and disclosed in corporate governance report section in the annual report.

1.1.6 Director and management development

The Board of Directors continues to enhance its value by participating in activities, courses and events which add to their knowledge base in the continually changing business environment to ensure that they are updated and possess full knowledge.

Director's orientation

If someone is newly appointed on the Board of Directors by the shareholders, the Company secretary informs and provides relevant documents such as director's handbook, the Company's corporate documents, corporate governance policy manual, business ethics and code of conduct manual, anti-corruption policy, laws, regulations and practices which are related to the trading of Company's shares.

1.2 Corporate governance policy and guidelines in relation to the shareholders' rights and equitable treatment of shareholders

1.2.1 Rights of shareholders

The Company is responsible to the shareholders in terms of information disclosure, accounting methods, internal information usage and conflict of interests. The Board of Directors and management are expected to be honest and any decision must be based on honesty and fairness to both major and minor shareholders, and for the collective benefit of all. Some of the policies and procedures followed to protect the rights of the Company's shareholders are as follows:

Appointment of board members

The Company regularly updates the information pertaining to candidates'/existing directors', so that all stakeholders can make an informed decision in respect of their appointment. This information is in the Company's annual report and is also presented to the Company's shareholders in the annual general

meeting of shareholders ("AGM"). The information is provided so that the Company's shareholders can get correct and complete information, which is relevant and required for their appointment, and includes the following:

- Candidate's/director's profile: name, position, age, education, relevant knowledge, occupation, working experience and illegal acts (if any).
- Candidate's/director's positions in any materially connected business.
- Number of shares held by the candidate/director in the Company.
- Nomination procedures (in case of the directors who retire by rotation).
- Directors' previous performance as director in terms of meeting attendance.

Consideration of the policy on directors' remuneration

The Company follows the policy of obtaining the approval of the policy on directors' remuneration from the shareholders in the AGM and has also disclosed guidelines/procedures for determining directors' remuneration in the '**Corporate Governance Policy**' of this report.

Appointment of auditors

The Company follows the policy of obtaining the approval of appointment of auditors from the shareholders in the AGM and has improved the information disclosure for the correctness and completeness of the information required for the decision on the appointment of auditors. The information provided in the AGM includes details as follows:

- Auditor's firm
- Auditor's name
- Auditor's remuneration for approval including separate disclosure for audit and non-audit related remuneration
- Auditor's remuneration for the previous year
- Relationship with the Company such as being the Company's advisor
- Number of years as the Company's auditor (in case of reappointment of the present auditor)
- Auditor's performance
- The reasons for changing the auditor (in case the Company appoints a new auditor)

Consideration of the dividend policy

The Company obtained the approval of its current dividend policy in the shareholders' meeting in the year 2004 and will continue to obtain such approvals in case of any changes in the future.

Shareholders' meetings

The Board of Directors approved and resolved that the 2024 annual general meeting of the shareholders be held by electronic means due to the Company's concern over its shareholders' safety and health during the COVID-19 pandemic situation. The Company held the AGM on 5 April 2024 by electronic means ("E-AGM"). This E-AGM was held in accordance with relevant laws and regulations concerning electronic meetings such as the Emergency Decree on Electronic Meetings, B.E. 2563 (2020), the Announcement of Ministry of Digital Economy and Society on the Security Standard for the Meeting through Electronic mean B.E. 2563 (2020), and the security standard of the monitoring system of the meeting.

The Company has adhered to the recommendations of SET/SEC for holding a shareholders' meeting, which is as follows:

Before the date of 2024 annual general meeting of shareholders (AGM)

- The Company provided an opportunity for the shareholders to propose agenda items for the AGM and nominate suitable candidates to be members of the Board of Directors of the Company. This practice will be continued for AGM 2025 as well. Shareholders with a combined holding of at least 2,000,000 shares can propose agenda items or nominate qualified directors. In 2024, the Company invited shareholders to propose agenda items and to nominate a candidate to be elected as director through the Company's website. The invitation period was from 10 October 2023 to 31 December 2023. This exceeds the privileges required to be provided to shareholders by law. The Company set up communication channels through its website and made an announcement through the SET, based on which, a shareholder or a group of shareholders could propose an agenda item and/or nominate candidates to be directors for consideration in the AGM.
- For AGM 2024, the Company disclosed the AGM schedule and the AGM agenda through the SET on 12 February 2024 (53 days before the AGM date) to enable shareholders to plan their schedule for the meeting.
- Providing an opportunity to the shareholders to post questions in advance, to be addressed at the AGM 2024. This practice will be continued for AGM 2025 as well.
- Providing a complete and correct notice with full information to call each shareholders' meeting is the normal policy of the Company. The notice includes the objective and reasons for each agenda item apart from the Board of Directors' comments/opinion, which have always been included. The Company does not amend the agenda of the shareholders' meeting without giving notice to shareholders.
- For AGM 2024, the Company disclosed the notice of shareholders' AGM on the Company's website on 1 March 2024 (35 days before the AGM date). The Company also assigned the Thailand Securities Depository Co., Ltd. which is the Company's registrar to send the AGM notice to shareholders on 8 March 2024 (28 days in advance of the AGM).
- The Company publishes the notice of shareholders' meeting in newspapers for three consecutive days and at least 14 days prior to shareholders' meeting.
- Facilitating proxy voting: clearly specifying the documents required to give proxy and by sending out the notice to the extent possible, to the Company's shareholders at least 4 weeks prior to the meeting date. For shareholders who are unable to attend each meeting, the Company designated the Chairman and/or an independent director to attend and to vote on their behalf in each meeting. Full details for this purpose are provided in the notice of shareholders' meetings. Moreover, the notice, including proxy (Form B), was disclosed on the Company's website to facilitate its download by shareholders.
- The Company provided detailed guidelines for attending the E-AGM which was held on 5 April 2024.
- The Company sent an E-AGM registration form together with a list of required documents for shareholders who wish to attend the E-AGM by themselves and for shareholders who wish to appoint a proxy to attend the E-AGM.
- After the Company received the requisite documents, the Company sent an email containing the username and password along with the weblink to attend the E-AGM.

On the date of the E-AGM

- On the meeting date, the Company allowed shareholders to access the E-AGM system one hour before the meeting.
- One share would have one vote. For each agenda item, the shareholders had the option to vote “Approve”, “Disapprove” or “Abstain”. For the agenda item in relation to the nomination of directors, the voting options were provided for the selection of each director in order to increase transparency for the voting process.
- The Company ensured that the E-AGM system which had been selected for the shareholders’ meeting was secure, reliable and user-friendly. The technical team was also on standby in case any shareholders face any technical problems with the E-AGM system before or during the meeting.
- A question function was provided on the E-AGM system, so that the shareholders can send their questions/comments to the directors and/or the Company secretary during the meeting, and the questions were answered at the meeting.
- The shareholders were able to log in to the E-AGM system for registration even after the meeting started in order to ensure the participation of all shareholders who attended the meeting.
- The Company appointed independent legal counselors to be inspectors of the vote-counting process.
- To enable shareholders to make decisions, the Company provided adequate information in the notice to the meeting on the agenda items.
- The Chairman of the Board of Directors, the Chairman of the Audit and Corporate Governance Committee, the Chairperson of the Sustainability and Risk Management Committee, the Chairperson of the Nomination and Remuneration Committee, all independent directors, Managing Director and Director (Finance) attended the AGM of 2024. The auditors also attended the AGM to answer any questions raised by shareholders in respect of the accounts or the conduct of the audit.
- At every shareholder meeting, the Company secretary explains the voting procedures to shareholders at the start of the meeting.
- Equal opportunity is provided to all shareholders to examine the Company’s operations, to ask questions and express their opinions and advice. It is ensured that all items and resolutions including questions and answers are properly recorded in the minutes of the meeting.
- At the meeting, the Company provides simultaneously English and Thai translation of the questions, replies and comments for the benefit of all attendees.
- The Company arranges a video recording of the entire meeting and posts this on the Company website.

After the date of AGM

- The Company prepares comprehensive minutes of shareholders’ meetings, which include the names of board members’ who attended the meeting. The minutes also include a correct and complete record of questions/answers, voting method, vote counting procedure and voting results. Thereafter, the minutes of shareholders’ meetings was sent to the SET and disclosed on the website of the Company under the subject of “**Investor Relations**” within 14 days after the meeting. A video recording of the proceedings is also provided on the Company website.

1.2.2 Equitable treatment of shareholders

The Company ensures the equitable treatment of all shareholders, regardless of whether they are minor or major shareholders, Thai or foreign shareholders, retail or institutional shareholders. Also, all shareholders are treated on a fair and equal basis in terms of calling and holding shareholders meetings and for protecting the rights of shareholders for other matters by taking the following steps:

- Ascertaining that the date, time, venue of the meeting is convenient to attend.
- Ensuring a reliable electronic meeting platform (in case of an EGM).
- Offering one-share-one vote.
- The registration process commences at least 1-2 hours (as the case may be) in advance to keep adequate time for completion of registration.
- Providing ballot papers/electronic voting system for each agenda item.
- Arranging barcode system/electronic system for registration and vote counting for shareholders' convenience and accuracy of the vote-count.
- Providing an opportunity to shareholders to propose agenda items and to nominate candidates to be director in advance for the annual general meeting of shareholders (AGM) through various channels including the Company's website.
- Providing an opportunity for shareholders to elect directors by voting on the given ballot papers/electronic voting system for each of the directors separately.
- Not adding any new agenda item without notice to shareholders in advance.
- The Company provides full opportunity for shareholders to participate in the meetings and encourages the shareholders to ask relevant questions which are answered by top executives and/or related persons.
- The Company has always followed practices and policies for the protection of shareholders rights and has always complied with all laws pertaining to the protection of the rights of shareholders, including obtaining shareholders' approval for any major event and in case of any serious situation that affects the Company's operations and provided correct and complete information required for their decision. Some examples of this are i) the acquisition of 15 ships during the year 2004, ii) the signing of contracts for 12 new buildings during the year 2007 and 3 new buildings during the year 2008, and iii) the signing of contracts for 12 new buildings during the year 2014. In all instances, the Company also appointed an independent financial advisor to advise the shareholders.
- The Company follows the policy of regularly reviewing the outstanding unpaid dividends and tries to contact all the shareholders who may have, for some reason, not received their dividends. Thereafter, the Company helps shareholders in terms of reminding and advising them on the required procedures to collect the dividends.
- Directors disclosing their interests and those of their related parties to the board.
- Directors reporting their ownership of Company's shares and warrants to the board regularly.
- The Board of Directors has established a system to prohibit a director/management, who has a conflict of interest on a particular issue, from participating in the decision-making process related to that issue. Normally a director/management, who has a conflict of interest in an issue, will leave the meeting and join back once the issue has been discussed and a decision on the same is made.
- Providing detailed explanation of related-party transactions characterizing names, relationship, policy and value of each transaction as explained under the **"Connected Transactions"** section of this annual report. No non-compliance cases involving related-party transactions have been detected.

- Following an appropriate policy and laying down procedures for monitoring the use of insider information as explained under the “**Insider Trading Controls**” section of this annual report. No cases of insider trading involving the directors and/or the management have been detected.

2. Business ethics

The Company has set up a code of ethics for directors, management and employees as a guideline to carry out their respective work for the Company in a transparent, honest, faithful, and justifiable manner. It is also disclosed on the Company’s website.

The following policies and practices are included in the Company’s business ethics and code of conduct manual

- Policy on compliance with the law and relevant rules and regulations
- Policy on conflict of interests
- Policy on confidentiality of information
- Policy on safeguarding company property
- Policy on information technology security
- Cyber security management
- Ethics for intellectual properties rights
- Policy on preventing corruption and offering a bribe
- Policy on giving and accepting gifts and excessive or undue hospitality
- Tax policy
- Anti-money laundering & counter terrorism financing (AML/CTF)
- Anti-trust policy
- Procurement
- Transactions with government
- Policy on safety, occupational health and environment
- Diversity and inclusion policy
- Whistleblowing policy
- Policy and practices toward stakeholders

The business ethics and code of conduct manual was distributed to all directors, management, and employees and posted on the Company’s website.

The board regularly reviews and updates the business ethics and code of conduct manual to ensure that it meets current requirements and is appropriate for the current circumstances.

All management and employees are required to attend an annual training session covering topics such as business ethics, code of conduct, anti-corruption, human rights, conflict of interest, and information security awareness. This is done to ensure a proper understanding of the guidelines, raise awareness, and cultivate a commitment to maintain high operating standards within the organization.

In November 2024, 100% of management and employees participated in the annual online business ethics training program and completed a quiz conducted by Thai Private Sector Collective Action Against Corruption (CAC). The Board of Directors monitors compliance with the business ethics and code of conduct manual. If misconduct is identified, disciplinary action or legal action will be taken. Additionally,

recommendations will be communicated to relevant parties to enhance the process or establish preventive measures to avoid a recurrence.

In 2024, there were no significant violations of the Company's business ethics and code of conduct policies. Additionally, there were zero whistleblowing incidents.

Guideline and enforcement of the corporate governance policy and business ethics and code of conduct

The Board of Directors defines the duties and responsibilities for the directors, management, and employees to acknowledge and comply with the policies and terms indicated in the Company's corporate governance policy and business ethics and code of conduct. Moreover, the Company put in place a whistleblowing policy and the internal audit processes as mechanisms to monitor compliance to assure that all operations abide by such policy and principles. If the directors, management, and employees violate these principles, they will face strict disciplinary punishment.

3. Major developments in corporate governance policy, guidelines, and systems

3.1 Major developments on corporate governance policy, guidelines and systems in 2024

The Board of Directors regularly reviews and updates the Company's corporate governance policy to ensure that it reflects the latest best practices and standards. During 2024 - early 2025, the following significant activities related to the review of its corporate governance policy, guidelines, and systems were carried out by the board, as detailed below:

- Reviewed the Company's corporate governance policy which covers the duties and obligations of the Board of Directors.
- Reviewed the Company's vision and mission statements along with its core values, and approved the addition of "safety" as a corporate core value.
- Reviewed the board diversity policy, the board skill matrix, and the succession plan policy.
- Reviewed the business ethics and code of conduct manual, the anti-corruption policy, the human rights policy, the sustainability policy, and the risk management policy.

3.2 Implementation of the CG code issued by the SEC

In the Board of Directors' meeting held on 8 November 2024, the board reviewed the appropriate principles and practices of the SEC's corporate governance code for applying to the Company, and also conducted a corporate governance self-assessment through a questionnaire following the SET and IOD guidelines. The scores of corporate governance self-assessment fall in the level of "Very Good". The Board of Directors intends to use this result to further improve its corporate governance. The Company intends for the corporate governance self-assessment to be done every year in order to comply with good corporate governance practices and accordingly, this exercise will be conducted again in the year 2025.

The following principles below from the corporate governance code 2017 published by the SEC are the principles which the Company has not yet adopted within the year 2024:

Principle	Opinion from the Board of Directors
The board should establish the policy that the tenure of an independent director should not exceed a cumulative term of nine years from the first day of joining. Upon completing nine years, an independent director may continue to serve on the board, subject to the board's rigorous review of his/her continued independence.	The board is of the view that the independence of the independent directors is well maintained, despite the fact that some of them have been on the board for an aggregate period of more than nine years. Additionally, the board also strives to find a new independent director who will be put forth for the shareholders' consideration. The shareholders appointed the most recent independent directors in 2020 and 2023. When deciding what to put up for approval at the annual meeting of shareholders, the board takes a number of issues into account, including the independence of any independent directors who are retiring by rotation.
The Company should establish a long-term incentive and remuneration policy for its top executives and directors.	The Company provides adequate incentives and remuneration to attract and retain top executives and directors. However, the Company may consider providing additional long-term incentives and structuring a plan based on advice from an external expert in the future.

3.3 Awards and recognitions for good corporate governance

The Company has won (or was nominated for) the following awards including awards for good corporate governance:

- Achieved a sustainable ranking of AA in the 'SET ESG Ratings 2024', and was included in the Stock Exchange of Thailand's Thailand Sustainability Investment (THSI) list for the fourth consecutive year.
- Classified as a company with "Excellent" Corporate Governance for fifteen consecutive years from 2010 to 2024, by Thailand's National CG Committee.
- Received a score of 100 percent in respect of the conduct at the Annual General Meetings for seven consecutive years from 2018 to 2024, by Thai Investors Association.
- Ranked in the top 12th percentile of companies in the global transportation and transportation infrastructure sector, as adjudged by S&P Global's Corporate Sustainability Assessment (CSA) for the year 2024.



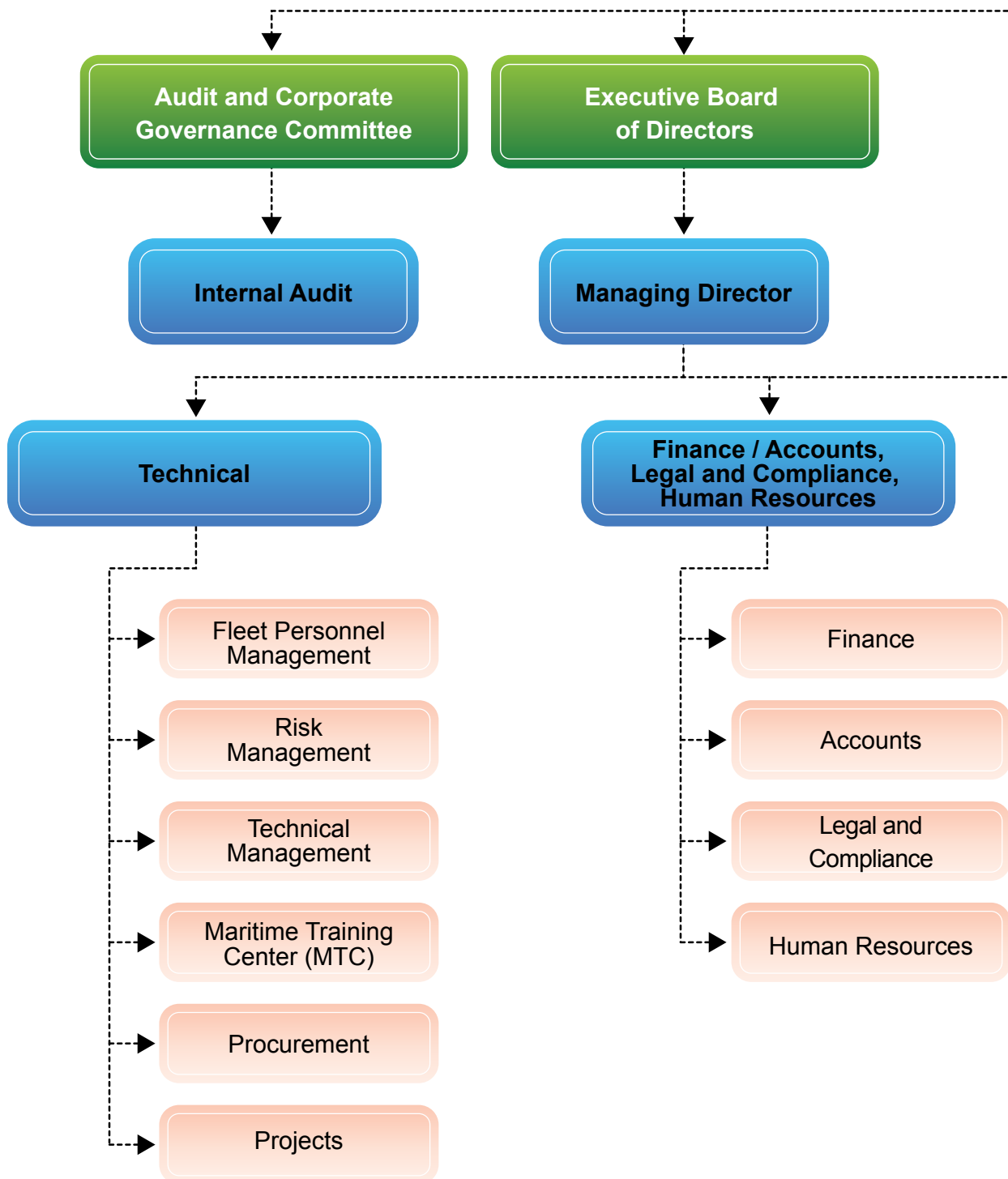
- Conferred the “Best Investor Relations Awards” for companies with a market capitalization between Baht 10,000 million to Baht 30,000 million at the SET Awards 2023.
- Adjudged as a Company with “Outstanding Investor Relations” for companies with a market capitalization between Baht 10,000 million to Baht 30,000 million for the years 2021 and 2022, respectively.
- Obtained the “ASEAN Asset Class PLCs” award, an accolade granted to companies with an ASEAN CG score of at least 97.5 in both 2019 and 2021 ASEAN Corporate Governance Scorecard. The ASEAN Corporate Governance Scorecard has been developed by the ASEAN Capital Markets Forum (ACMF) in partnership with the Asian Development Bank (ADB) to raise corporate governance standards and practices of ASEAN publicly listed companies.
- Nominated as one of the 10 finalists for the Board of the Year Award 2018 instituted by the Thai Institute of Directors and the Stock Exchange of Thailand, in the category for companies with a market capitalization below Baht 30,000 million.
- Nominated as a finalist for the “Ship Owner/Operator of the year” award at the Seatrade Maritime Awards Asia in 2010, 2012, 2013, 2014, 2017 and 2018.
- Nominated as a finalist for “The ClassNK Dry Bulk Operator of the Year” award at the Lloyd’s List Asia Pacific Awards 2014, 2015, 2016, 2017 and 2018.
- The Company’s wholly owned subsidiary, Great Circle Shipping Agency Limited, was nominated as a finalist for the “Ship Manager of the year” award at the Seatrade Maritime Awards Asia in 2014, 2015, 2017, and 2018.
- Great Circle Shipping Agency Limited was nominated as a finalist for “Ship Manager of the Year” award at the Lloyd’s List Asia Pacific Awards in 2012, 2014, 2017 and 2018.
- Nominated as a finalist for “The Bulk Ship Operator of the Year Award” at the IBJ (International Bulk Journal) Awards in 2012, 2013, 2014, 2016, 2017 and 2018.
- Adjudged 3rd placed winner in the “Best in Sector: Industrials” category for Investor Relations Awards at the IR Magazine Awards & Conference - Southeast Asia 2017.
- Nominated as a finalist for the “Deal of the Year” award at the 10th Seatrade Maritime Awards

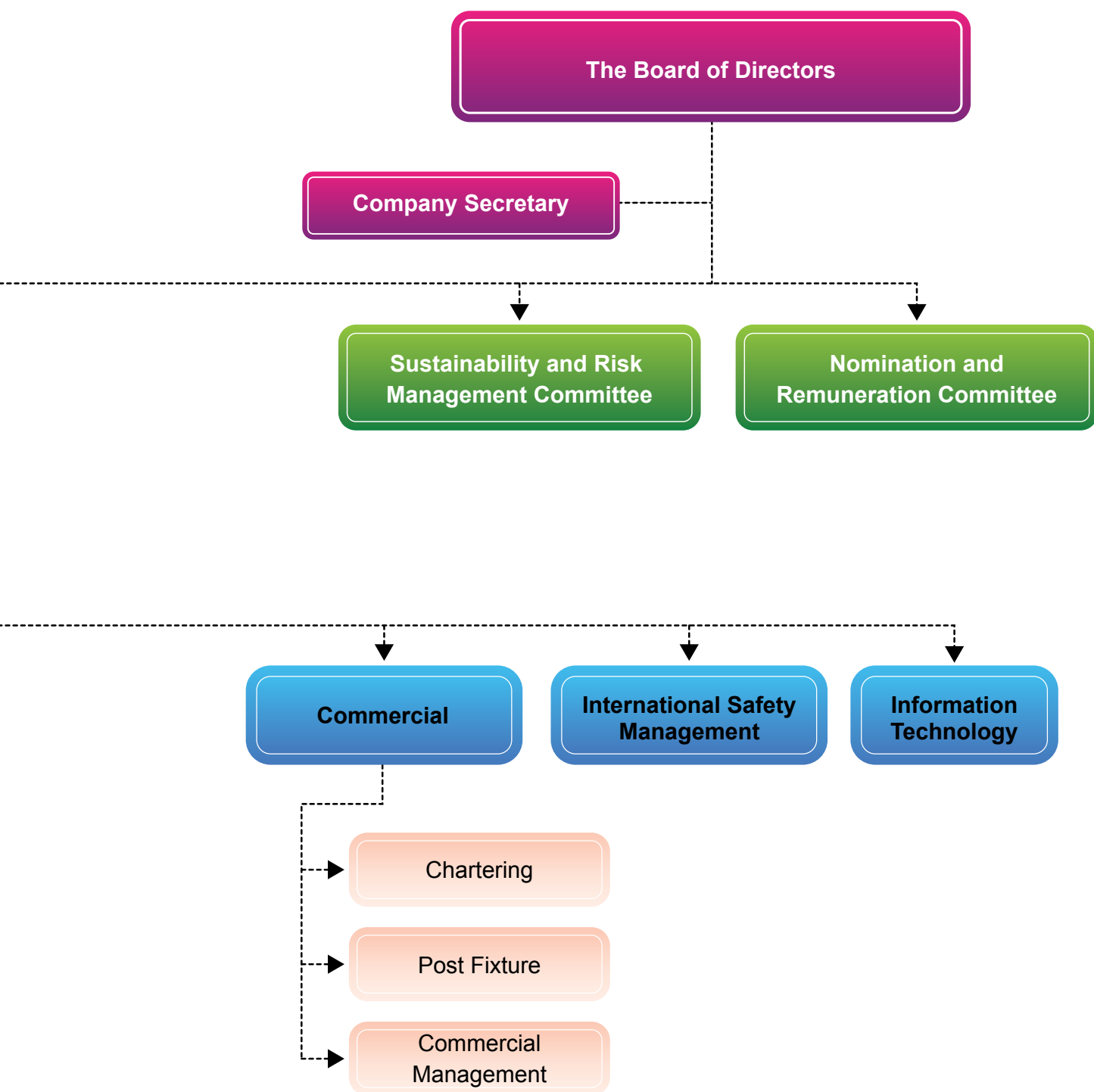
Asia 2017 for the Company's THB 3.59 billion unsubordinated unsecured bonds issued in Thailand in 2016.

- The Company's cement carrier, M.V. APINYA NAREE, was nominated as a finalist for the "Bulk Ship of the Year" award at the IBJ Awards 2017.
- Adjudged as a Company with "Outstanding Investor Relations" for Companies with a market capitalization between Baht 3,000 million to Bath 9,999 million at the SET Awards 2016.
- Winner of "the Public Debt Deal of the Year" award for 2016 from Marine Money, New York, for the Company's THB 3.59 billion unsubordinated unsecured bonds issued in Thailand in 2016.
- Winner of the "ASIA BEST EMPLOYER BRAND AWARD" at the Asia Best Employer Brand Awards, 7th edition, 2016.

ORGANIZATION STRUCTURE

ORGANIZATION CHART





The Company has five (5) boards/committees

1. The Board of Directors
2. The Executive Board of Directors
3. The Audit and Corporate Governance Committee
4. The Nomination and Remuneration Committee
5. The Sustainability and Risk Management Committee

ELECTION OF THE BOARD OF DIRECTORS

The election of directors is conducted by the meeting of shareholders. Each shareholder has one vote per share and each shareholder exercises all votes applicable in appointing one or more persons to be a director. The candidates are ranked in descending order from the highest number of votes to the lowest and are appointed as directors in that order until the director positions are filled. Where the votes for candidates are tied, resulting in a number of directors that would exceed the stipulated amount, the Chairman has the casting vote.

1. THE BOARD OF DIRECTORS

1.1 Board composition

The number of members on the Board of Directors is commensurate with the size and complexity of the Company's business. As of 31 December 2024, there are twelve (12) directors on the Board of Directors of the Company which comprises three (3) directors who hold executive roles and are full-time employees of the Company and nine (9) non-executive directors, five of whom are independent (42% of the board of directors).

The board is of the view that gender is an important aspect of diversity and will strive to ensure that female candidates are included for shareholders' consideration. Currently, the board comprises seven (7) male directors and five (5) female directors (42% of the board of directors). Three of the female directors are independent directors.

To ensure that the board members can devote their time to performing their duties for the greatest benefit of the Company, directors are not permitted to hold board positions in more than five (5) listed companies (including the Company).

The Board Skills Matrix

The following matrix was created to assist board members to recognise the key skills and experience that are aligned with the Company's business strategy. As part of coordinated succession planning, these skills and experience are prioritized when identifying potential future director candidates.

No.	Directors	Marine industry	Business strategy	Accounting knowledge	Financial/Investment	Risk and compliance oversight	Corporate governance	Legal and compliance	Information technology and innovation	People and culture management	Marine engineering
1	Mr. Chaipatr Srivisarvacha	x	x	x	x	x	x	x	x	x	x
2	Mr. Kamtorn Sila-On	x	x	x	x	x	x	x	x	x	
3	Ms. Pensri Suteerasarn	x	x	x	x	x	x	x	x	x	
4	Prof. Dr. Pavida Pananond	x	x	x			x		x	x	
5	Ms. Qiyu (Jackie) Wang	x	x	x	x	x	x	x	x	x	x
6	Mr. Kirit Shah	x	x	x	x	x	x	x	x	x	x
7	Mr. Khushroo Kali Wadia	x	x	x	x	x	x	x	x	x	
8	Ms. Nishita Shah		x				x			x	
9	Mr. Ishaan Shah	x	x	x	x	x	x	x	x	x	x
10	Mr. Khalid Moinuddin Hashim	x	x	x	x	x	x	x	x	x	x
11	Mr. Gautam Khurana	x	x	x	x	x	x	x	x	x	
12	Ms. Sirasa Supawasin	x				x	x	x		x	
Summary of directors for each skill		11	11	10	9	10	12	10	10	12	5

1.2 The Board of Directors

Members of the Board of Directors as of 31 December 2024 are as follows:

Director's name		Position	The last re-appointment date
1.	Mr. Chaipatr Srivisarvacha	The Chairman of the Board of Directors Independent Director	5 April 2024
2.	Mr. Kamtorn Sila-On	The Chairman of the Audit and Corporate Governance Committee Independent Director	4 April 2022
3.	Ms. Pensri Suteerasarn	The Chairperson of the Nomination and Remuneration Committee Independent Director	4 April 2022
4.	Professor Dr. Pavida Pananond	The Chairperson of the Sustainability and Risk Management Committee Independent Director	5 April 2024
5.	Ms. Qiyu (Jackie) Wang	Independent Director	10 April 2023
6.	Mr. Kirit Shah	Director	5 April 2024
7.	Ms. Nishita Shah	Director	5 April 2024
8.	Mr. Ishaan Shah	Director	4 April 2022
9.	Mr. Khushroo Kali Wadia	Director	10 April 2023
10.	Mr. Khalid Moinuddin Hashim	Managing Director Executive Director	10 April 2023
11.	Mr. Gautam Khurana	Executive Director	10 April 2023
12.	Ms. Sirasa Supawasin	Executive Director	10 April 2023

The Chairman of the Board of Directors and the Managing Director

The Chairman of the Board of Directors is an independent director and has no relationship with the management, as defined by the SET. The Chairman is not the same person as the Managing Director of the Company nor is he related in any way to the Managing Director of the Company. These roles are deliberately disaggregated so that there is a clear differentiation between the duties of the policy maker and the policy manager.

The Chairman of the Board is the leader of the board and performs the role of chairman for both board and shareholders' meetings. The Chairman's role includes promoting corporate governance and compliance and ensuring its effectiveness. He engages directly with the Managing Director to monitor performance and oversees the implementation of the Company strategies.

The Managing Director is the head and leader of the Company's executives and is responsible to the board for managing the Company in order to achieve all planned objectives.

The roles and duties of the Chairman of the Board of Directors

- Provides leadership to the Board of Directors;
- Presides over the Board of Directors meetings, non-executive directors meetings and shareholders meetings;
- Oversee and monitor to ensure that the Board of Directors carries out its duties in an efficient and effective manner in order to achieve its objectives and main goal;
- Facilitates open and constructive communication between members of the board and encourages their contribution to board discussions;
- Promotes the highest standards of corporate governance, ethics and corporate social responsibilities;
- Consult with the Managing Director and company secretary to arrange the schedule and agendas of the Board of Directors' meetings;
- Ensure that the Company has effective communication with its shareholders and relevant stakeholders.

The roles and duties of the Managing Director

- The day-to-day management of the Company and its business is the responsibility of the Managing Director who is supported by the executive team;
- Develops and recommends the Company's vision, mission, strategy and business plan for the board's approval;
- Manages the Company in accordance with strategy, business plans and policies approved by the Board of Directors;
- Reports on the Company's operational results to the Board of Directors as well as other work in progress to achieve the Company's objectives;
- Ensures that all directors are properly informed and that sufficient information is provided to enable the directors to form appropriate judgments;
- Builds and maintains effective top executives capable of delivering the Company's strategy and objectives and identifies and recruits new talent to ensure effective succession to top management positions;
- Ensures communication with shareholders and relevant stakeholders;
- Undertakes any other roles and duties assigned by the Board of Directors.

The duties and responsibilities of the Board of Directors are as follows:

1. The Board of Directors performs its duties in conformity with applicable laws and carries on the business of the Company in accordance with the law, the Company's objectives and the articles of association as well as the resolutions of the shareholders' meetings. The Board of Directors is authorized to carry out the Company's activities as prescribed in the memorandum or those related thereto under the Public Limited Companies Act B.E. 2535. The Board of Directors is responsible to the Company's shareholders. Each director represents all shareholders and takes part in supervisory and regulatory functions in the Company's operations, independently and impartially, for the benefit of all shareholders and other stakeholders.
2. The directors, in their business conduct, are expected to generally act with care to preserve the interest of the Company.
3. According to the corporate governance policy of the Company, the quorum for a Board of Directors meeting is at least two-thirds of the board size.
4. The Board of Directors or the shareholders at their meeting is entitled to designate the authorized directors to bind the Company and accordingly, any two (2) of the following with the Company's seal are presently the authorized signatories:
 - 1) Mr. Khalid Moinuddin Hashim
 - 2) Mr. Kirit Shah
 - 3) Mr. Ishaan Shah
 - 4) Mr. Gautam Khurana
5. The Board of Directors is inter alia authorized to sell or mortgage any of the Company's immovable properties, to let any of the Company's immovable properties for a period of more than three (3) years, to make a gift, to compromise, to file complaints to the court and to submit a dispute to the arbitration.
6. Annually review and approve the vision and mission statement, core values, and business ethics and code of conduct.
7. Review and discuss management's proposed strategies and options and approve major decisions in respect of the Company's business direction and policies. The Board of Directors also reviews and approves the business and performance goals proposed by the management.
8. Monitor the implementation of the Company's strategies including monitoring the Company's performance and progress toward achieving set objectives as well as compliance with the laws, regulations and related policies.
9. Ensure the establishment and communication of the policy and program related to anti-corruption.
10. Ensure the existence of an effective internal control system and appropriate risk management framework.
11. Ensure an effective audit system executed by both internal and external auditors.
12. Approve quarterly and annual financial reports to ensure that the reports are prepared under generally accepted accounting standards.
13. Ensure that the Company has a system in place to communicate effectively with all stakeholders.
14. Define policy and guidelines for risk management and monitor the management to ensure the efficiency of the risk management system.
15. Define policy and guidelines for good corporate governance and ensure that the duties and responsibilities of directors and the management comply with corporate governance principles.
16. Define policy and guidelines to implement corporate social responsibility.

2. SUB-COMMITTEES

The Board has appointed the following four (4) sub-committees. All subcommittee members' terms will be concurrent with their terms on the Company's Board of Directors by resolution of the Board of Directors in the Board of Directors meeting no.3/2022 held on 4 April 2022.

2.1 THE AUDIT AND CORPORATE GOVERNANCE COMMITTEE

The Audit and Corporate Governance Committee has been appointed by the Board of Directors with the objective of having a mechanism to assist the board independently in accordance with the regulations and the recommendations in respect of good corporate governance, to give an opinion on the accuracy of the Company's financial statements and their credibility and transparency, to encourage good corporate governance including coordination with the Board of Directors for risk management and internal control systems in the Company. This is expected to create efficiencies in operations and provide for an independent check on the functioning of the management of the Company, including checks on conflict-of-interest issues and connected party transactions, if any.

The Board of Directors appointed the Audit Committee since 24 August 1998. Thereafter, on 3 February 2012, the Board resolved to change the name of the Audit Committee from "Audit Committee" to "Audit and Corporate Governance Committee" to reflect the fact that the role and responsibility of the Audit Committee of the Company also included corporate governance. Additionally, it was to ensure that the Audit and Corporate Governance Committee places due emphasis on compliance with relevant regulations and continues the development of corporate governance of the Company. The current Audit and Corporate Governance Committee members are as follows:

Name	Position	Status
1. Mr. Kamtorn Sila-On*	Chairman of the Audit and Corporate Governance Committee	Independent Director
2. Professor Dr. Pavida Pananond*	Audit and Corporate Governance Committee member	Independent Director
3. Ms. Pensri Suteerasarn*	Audit and Corporate Governance Committee member	Independent Director

* Each of the Audit and Corporate Governance Committee members has knowledge and experience in the field of accounting and finance. Details of their experience have been presented in Enclosure 1 "Information on relevant persons in the organization" of this annual report.

The duties and responsibilities of the Audit and Corporate Governance Committee are summarized hereunder:

1. To review the Company's financial reporting process to ensure accuracy with adequate and complete disclosure.
2. To ensure that the Company has an appropriate and efficient internal control system subject to internal audit and to also ensure that there is an efficient internal audit system in place and to ensure the independence of internal audit department, including approval of the selection, promotion, rotation or termination process of the internal audit head.
3. Review risk management systems of the Company and recommend improvements on a regular basis.
4. Review guidelines for the Company's corporate governance and benchmark them with other domestic and international organizations and present its recommendations to the Board of Directors.
5. To review the performance of the Company to ensure compliance with the securities and exchange law, regulations of the exchange and other laws relating to the business of the Company.

6. To select and nominate for the shareholders' approval or discharge, the external auditor of the Company, including a recommendation on the remuneration paid to the external auditor after considering the independence of the external auditor and to freely discuss significant matters, the Audit and Corporate Governance Committee shall meet privately with the external auditor at least once a year, without the management team being present.
7. To review connected party transactions that may lead to a conflict of interest to comply with all related rules and to ensure the transactions are reasonable and for the full benefit of the Company and to ensure accurate and complete disclosure of the same.
8. To oversee the anti-corruption policy and annually review the Company's anti-corruption procedures to ensure effective compliance with the guidelines of the Collective Action Coalition Against Corruption (CAC).
9. To review the Company's compliance with its whistleblowing policy and procedures for reporting and investigation of misconduct and/or fraud and consider all instances (if any) of misconduct or fraud and the final investigation report.
10. To prepare a report on the monitoring activities of the audit and corporate governance committee, in accordance with the required details per SET regulations, and disclose it in the annual report. Such report is to be signed by the Chairman of the Audit and Corporate Governance Committee.
11. To perform any other acts as delegated by the Board of Directors and accepted by the Audit and Corporate Governance Committee.

2.2 THE EXECUTIVE BOARD OF DIRECTORS

The following three (3) persons are appointed by the Board of Directors as the executive directors on the Executive Board of Directors.

Name	Position
1. Mr. Khalid Moinuddin Hashim	Managing Director
2. Mr. Gautam Khurana	Director (Finance)
3. Mr. Chandrasekhar Sivaraman Venkatraman	Director (Technical)

The duties and responsibilities of the Executive Board of Directors are summarized hereunder:

1. To manage the Company's business under the resolutions/regulations of the Board of Directors.
2. To execute any agreements/contracts binding the Company the terms and conditions of which must be in their scope of authority vested by the Board of Directors. Such agreements/contracts must be affixed with the signatures of any two executive directors together with the Company's seal.
3. To generally act on behalf and in the interest of the Company and its subsidiaries as may be required to carry on the business.
4. The Executive Board of Directors shall report on the business operations conducted by the Executive Board to the Board of Directors for acknowledgment and discussion. However, policy-related issues, or issues likely to have a significant impact on the Company's business, or issues requiring action by the Board of Directors in compliance with laws, or the Company's articles of association, must be approved by the Board of Directors. This also includes issues for which the Executive Board of Directors considers it appropriate to seek the approval of the Board of Directors on a case-by-case basis, or per the criteria designated by the Board of Directors.
5. Prepare and review strategic objectives, financial plans, and key policies of the Company, to be submitted to the Board of Directors for approval.

6. Review management authority in various aspects stipulated in the approval authority hierarchy, to be submitted for approval to the Board of Directors.
7. Appoint, monitor and evaluate the performance of employees from the level of department head down to middle managers.
8. Monitor and report on the Company's operating results to the Board of Directors as well as on other work in progress to achieve the Company's objectives.
9. Communicate with external stakeholders, per designated authority, and as deemed appropriate.
10. Prepare and review policy and guidelines for risk management and monitor the management to ensure the efficiency of the risk management system.
11. Prepare and review policy and guidelines for good corporate governance and guidelines to implement corporate social responsibility.
12. Develop and implement anti-corruption systems, as well as encourage employees at all levels and related parties to follow the anti-corruption policy in order to create a culture free of graft.

2.3 THE SUSTAINABILITY AND RISK MANAGEMENT COMMITTEE

The Sustainability and Risk Management Committee has been appointed by the Board of Directors as a mechanism to assist the Board in fulfilling its responsibility for oversight of sustainability and corporate social responsibility policies, strategies, and programs of the Company, prescribing a risk management policy that covers the entire organization with the objective to identify and monitor risks on an on-going basis as well as to put in place effective mitigation measures.

The Board of Directors appointed the Risk Management Committee in Board meeting no.1/2020 held on 11 February 2020. Thereafter, on 4 April 2022, the Board resolved to change the name of the Risk Management Committee from "Risk Management Committee" to "Sustainability and Risk Management Committee" to reflect the fact that the role and responsibility of the Risk Management Committee of the Company also included oversight of sustainability of the Company. The current Sustainability and Risk Management Committee members are as follows:

Name	Position	Status
1. Professor Dr. Pavida Pananond	Chairperson of the Sustainability and Risk Management Committee	Independent Director
2. Mr. Kamtorn Sila-On	Sustainability and Risk Management Committee member	Independent Director
3. Ms. Pensri Suteerasarn	Sustainability and Risk Management Committee member	Independent Director
4. Ms. Qiyu (Jackie) Wang	Sustainability and Risk Management Committee member	Independent Director
5. Mr. Khalid Moinuddin Hashim	Sustainability and Risk Management Committee member	Executive Director/ Managing Director

The duties and responsibilities of the Sustainability and Risk Management Committee are summarized hereunder:

1. Establish a sustainability policy framework according to the Company's operations to ensure alignment between the management and the board on the Company's sustainability goals and strategy.
2. Review and update the sustainability policy of the Company.
3. Monitor the Company's performance related to sustainable development to increase efficiency and balance while creating the most value to the Company and stakeholders.

4. Prescribing the risk management policy.
5. Setting out procedures to mitigate and manage major risks that could impact the organization.
6. Oversee the risk management process to ensure that both internal and external risk factors which may impede the achievement of Company objectives are considered during risk identification.
7. Ensure that impact assessment of risk factors is properly carried out and that appropriate risk mitigation methods are identified.
8. Annually review the risk management policies and procedures.
9. Follow up on, and evaluate, the performance in accordance with the organization-wide risk management framework, including a recommendation for an internal control framework.
10. Regularly report the Company's major risks as well as the progress of measures taken to mitigate these risks, to the Board of Directors.

2.4 THE NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors has appointed the Nomination and Remuneration Committee as a mechanism to independently propose criteria, establish guidelines for the nomination of new directors, the recruitment and selection of top executives, and determine remuneration for directors and top executives. Subsequently, the committee proposes its recommendations to the Board of Directors for consideration and to the shareholders for approval.

The Board of Directors appointed the Nomination Committee and the Remuneration Committee in the Board meeting held on 15 November 2007. Thereafter, on 15 May 2023, the board resolved to combine the Nomination Committee and Remuneration Committee into one committee, namely the "Nomination and Remuneration Committee". The current Nomination and Remuneration Committee members are as follows:

Name	Position	Status
1. Ms. Pensri Suteerasarn	Chairperson of Nomination and Remuneration Committee	Independent Director
2. Ms. Qiyu (Jackie) Wang	Nomination and Remuneration Committee member	Independent Director
3. Mr. Kirit Shah	Nomination and Remuneration Committee member	Director

The duties and responsibilities of the Nomination and Remuneration Committee

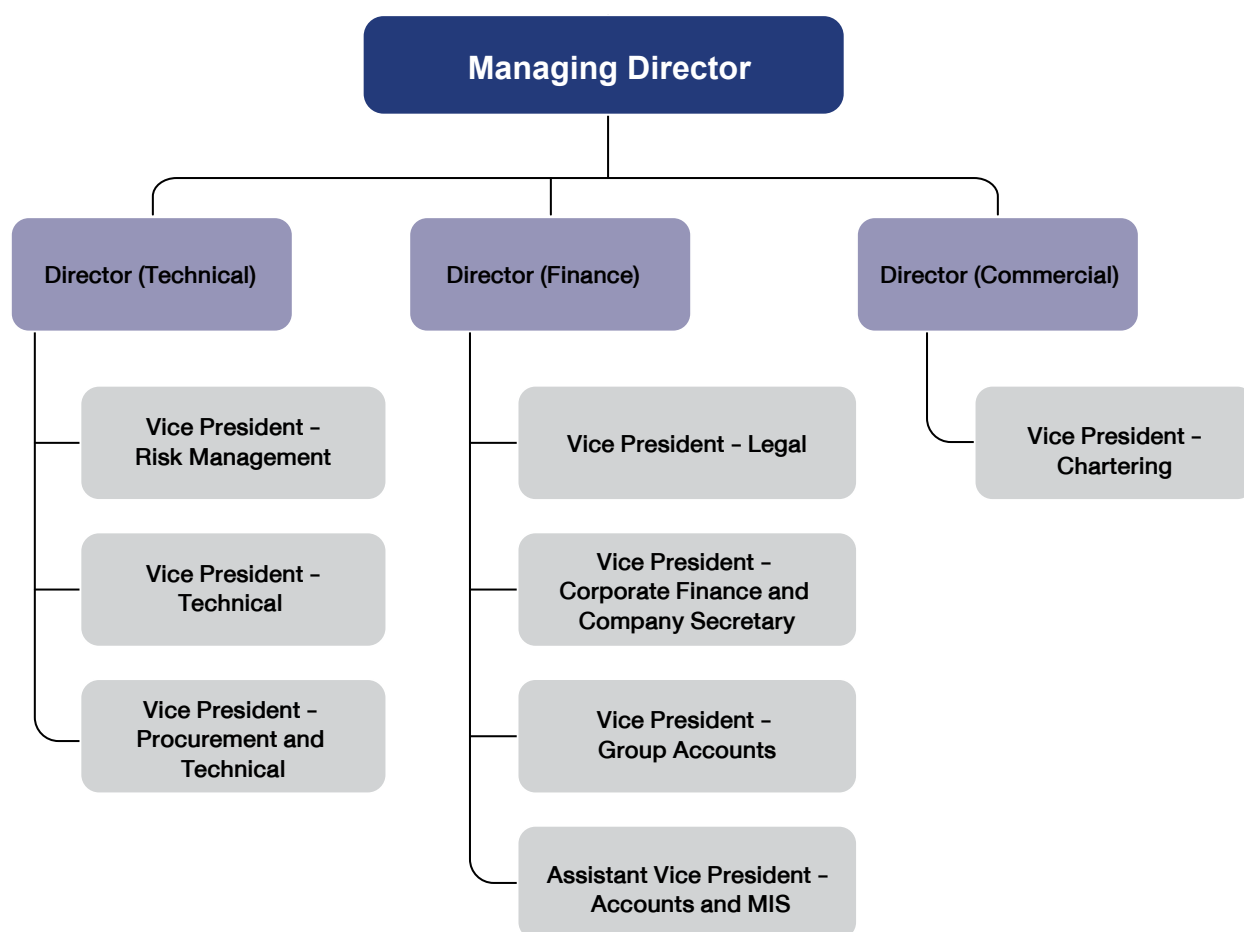
The Nomination and Remuneration Committee is responsible for duties assigned by the Board of Directors as follows:

1. Set out compensation guidelines for directors and top executives and propose the same to the Board of Directors.
2. Propose the directors' remuneration for the board to make its recommendations and express its opinion for approval at the shareholders' meeting.
3. Update the Board of Directors about compensation norms being followed by companies in Thailand and abroad.
4. Set out selection and nomination guidelines of appropriate persons and propose the same to the Board of Directors.
5. Review the board structure and propose a succession plan for directors and top executives.
6. Propose to the board, the names of potential candidates for appointment as directors for the board's approval, in case of a casual vacancy, or the board's recommendations for approval in shareholders' meeting.

7. If requested by the Board of Directors, assist in the process of review of the performance of directors.
8. Prepare specific reports on the latest trends and practices in the appointment of the directors and top executives for consideration by the Board of Directors.
9. Other specific jobs assigned by the Board of Directors.

3. MANAGEMENT

3.1 Management team



The following persons have been appointed by the Board of Directors as the executive directors of the Company and constitute the Executive Board of Directors as of 31 December 2024

Name	Position
1. Mr. Khalid Moinuddin Hashim	Managing Director
2. Mr. Gautam Khurana	Director (Finance)
3. Mr. Chandrasekhar Sivaraman Venkatraman	Director (Technical)

Management team of the Company and its subsidiaries in 2024 comprises of the following

Name		Position
1.	Mr. Khalid Moinuddin Hashim	Managing Director
2.	Mr. Gautam Khurana	Director (Finance)
3.	Mr. Chandrasekhar Sivaraman Venkatraman	Director (Technical)
4.	Mr. Shrilal Gopinathan	Director (Commercial)
5.	Mr. Neelakantan Vasudevan	Vice President (Risk Management)
6.	Mr. Shankar Giri Shankar	Vice President (Chartering)
7.	Mr. Minhaj Zafar	Vice President (Procurement and Technical)
8.	Mr. Narit Likkasittiphan	Vice President (Technical)
9.	Ms. Sirasa Supawasin	Vice President (Legal)
10.	Ms. Somprathana Thepnapaplern	Vice President (Corporate Finance) and Company Secretary
11.	Ms. Wimonwan Jaysrichai	Vice President (Group Accounts)
12.	Ms. Nalinthip Santinanon	Assistant Vice President (Accounts and MIS)

3.2 Management remuneration

The board appointed and assigned the Nomination and Remuneration Committee to set procedures for consideration of the remuneration of the directors and top executives in accordance with international standards and comparable with other equivalent listed companies including companies in the transportation industry.

The management remuneration is fixed in accordance with the principles and policies set by the Board of Directors. The Board of Directors directly and specifically approves the remuneration of the executive board and the director employed in an executive capacity in the Company's subsidiary based on the remuneration in the industry for equivalent positions, financial status/performance of the Company and their respective individual performances.

The remuneration of the executive directors and management team includes their salary, bonus, and other benefits including severance payments as retirement compensation.

The total remuneration to the Managing Director and management team for 2024, 2023 and 2022 is as follows

Description	Y2022	Y2023	Y2024
	Total amount (Million Baht)	Total amount (Million Baht)	Total amount (Million Baht)
Remuneration for the Managing Director:			
• Salary	8.16	8.33	8.21
• Bonus	4.17	7.08	8.86
• Income tax	6.03	7.36	8.75
• Director fee	0.55	0.55	0.55
• Other remuneration	0.62	0.62	0.62
Total remuneration for Managing Director	19.53	23.94	26.99
Remuneration for management team (excluding Managing Director) - 11 persons (2023: 12 persons and 2022: 13 persons)	94.84	102.46	104.05

3.3 Employee information

Information for the employees of the Company including its subsidiary, i.e., Great Circle Shipping Agency Limited (“GCSA”) as of 31 December 2024, 2023, and 2022.

Description	31 December 2022	31 December 2023	31 December 2024
Total employees (persons)	133	138	132
Total employee compensation (million baht)	315.37	389.09	420.66
Total male employee compensation (million baht)	238.71	290.68	310.51
Total female employee compensation (million baht)	76.66	98.41	110.15
The ratio of average female employee compensation to male employee compensation	0.26:1	0.29:1	0.28:1
Average employee compensation (million baht) – excluding Managing Director’s remuneration	2.24	2.67	3.01
Average male employee compensation (million baht)	4.05	4.54	5.35
Average female employee compensation (million baht)	1.04	1.33	1.49
The ratio of Managing Director compensation to average all employee compensation	8.71:1	8.98:1	8.98:1

Remuneration to office employees is comprised of salary, bonus, and other benefits like provident fund on a voluntary basis, and severance payments as retirement compensation.

4. Other important information

4.1 Information on relevant persons in the organization

The names, biographies, experience and number of shares held by members of the Board of Directors and management including the Company secretary, the person taking the highest responsibility in finance and accounting, the person supervising accounting, the head of internal audit, and the head of legal and compliance are provided in Enclosure 1 “**Information on relevant persons in the organization**” of this annual report as well as on the corporate website.

4.2 Investor relations

The Board of Directors recognizes the importance of accurate, complete and transparent disclosure of financial information and general information, which may affect the Company’s share price. The Company provides the information through the SET, the Company’s website, social media and through regular newsletters and communications from the Managing Director. All investors can send an email to ir@preciousshipping.com or reach out to the following persons who have been designated as contact points for investors, shareholders, analysts and the general public

Mr. Khalid Moinuddin Hashim	Managing Director Telephone 66 2696 8801 Email: kh@preciousshipping.com
Mr. Gautam Khurana	Executive Director Telephone 66 2696 8858 Email: gk@preciousshipping.com

Ms. Sirasa Supawasin	Vice President – Legal Telephone 66 2696 8854 Email: sirasa@preciousshipping.com
Ms. Somprathana Thepnaplern	Vice President - Corporate Finance and Company Secretary Telephone 66 2696 8856 Email: som@preciousshipping.com

4.3 Company secretary

In keeping with good corporate governance, the Company designated a company secretary viz. Ms. Somprathana Thepnaplern, having duties and responsibilities in accordance with the Securities and Exchange Act and to be responsible for overseeing and advising the board and the management regarding applicable laws, rules, regulations and good corporate governance, and responsible for holding the board and shareholders' meetings. The additional tasks include assisting the board to comply with resolutions and safeguard the Company's documents and information.

4.4 Audit fee

The total audit fee and non-audit fee paid in 2024 and 2023 for the Company, all its subsidiaries, and associates were as following:

Details	Y2023 (Million Baht)	Y2024 (Million Baht)
Audit fee and non-audit fee - paid to EY Office Limited:		
Audit fee for the Company	2.15	2.17
Audit fee for Thai subsidiaries and 1 foreign subsidiary	2.32	2.21
Total audit fee	4.47	4.38
Non-audit fee services - paid to EY Office Limited:		
• Fee for certification purposes by BOI	0.13	0.07
• Fee for reviewing the accounts of certain foreign subsidiaries (for consolidation purpose)	0.91	1.25
Total non-audit fee services for the Company and its subsidiaries	1.04	1.32
Total audit fee and non-audit fee - paid to EY Office Limited	5.51	5.70
Audit fee for foreign subsidiaries - paid to other audit firms	4.92	5.92
Non-audit fee for foreign subsidiaries - paid to other audit firms	1.67	1.90
Total audit fee and non-audit fee for the year	12.10	13.52

CORPORATE GOVERNANCE REPORT

The Board of Directors is the main driver in defining the direction of the Company's performance, achieving its goals and objectives, and defining the Company mission, vision, core values, strategic business plan, appointment of competent and effective management, and managing the Company's affairs with good corporate governance. The Board of Directors is responsible for overseeing the Company's strategic direction and ensuring compliance with the business plans. The Executive Board is delegated to manage the Company's day-to-day operations and reports the results to the Board. These reports are typically given at quarterly board meetings, with the goal of achieving company objectives and staying within legal guidelines.

At the Board of Directors' meeting held on 10 May 2024, the board reviewed the Company's vision, mission statement, and core values. Upon review, the board approved the inclusion of "safety" as a core value since it aligns with the Company's strategic objectives and the principles of sustainable development.

This corporate governance report captures the relevant principles of corporate governance that the Company follows and the key performance of the board with respect to corporate governance for the year 2024.

1. Nomination, Development and Performance Assessment of the Board

The Nomination and Remuneration Committee shall recommend candidates to the Board of Directors to replace retiring directors or to fill any other vacancy.

Independent director

The independent directors are independent from the management and have no business or activities with the Company and must not be involved in the day-to-day management of the Company or an affiliated company which may compromise the interests of the Company and/or the shareholders.

Qualifications of independent directors of the Company

The following qualifications of an independent director of the Company are more rigorous than the requirements set by the Stock Exchange of Thailand ("SET") and the Securities and Exchange Commission ("SEC").

- The independent director must not hold shares exceeding 0.5 percent each, including shares held by a related person, of paid-up capital of the Company, a subsidiary, or an affiliated, associated, or related company.
- The independent director must not be involved in the day-to-day management and must not be an executive director, employee or advisor who receives salary or other kinds of compensation from the Company, its subsidiaries, or affiliated companies, associated companies or related companies or with the major shareholders of the Company during the period of two (2) years before the date of appointment as independent director.
- The independent director must not have any business relationship pursuant to the regulations of the SEC and also must be free of any present, direct or indirect, financial or other interest in the management and business of the Company, its subsidiaries, associated companies, or its major shareholders during the period of two (2) years before the date of appointment as an independent director.

The term 'business relationship' under the above paragraph, such as any normal business transaction, rental, or lease of immovable properties, transaction relating to assets or services, or grant or receipt of financial support through receiving or extending loans, guarantee, providing assets as collateral, including any other similar action whose value exceeds THB 20 million or more than 3% of the net tangible assets, whichever is lower.

- The independent director must not be the external auditor of the Company, its subsidiaries, or affiliated companies, associated companies or related companies, or with its major shareholders nor be a significant shareholder, a controlling person or a partner of such audit firm which employs external auditors of the Company, its subsidiaries, or affiliated companies, associated companies or

related companies, or with its major shareholders during the period of two (2) years from the date of appointment as independent director.

- The independent director must not be a provider of any professional services, such as legal advisor, financial advisor or asset appraisal who receives service fees exceeding Baht 2,000,000 per year from the Company, its subsidiaries or affiliated companies, associated companies or related companies, or with its major shareholders during the period of two (2) years from the date of appointment as independent director.
- The independent director must not be a blood relative or legal relative of any executive director, management team, major shareholder or significantly influential person in/of the Company.
- The independent director must not be acting as a nominee or representative of any director, major shareholder or shareholders, who are a relative of any major shareholder of the Company.
- The independent director must be able to carry out their duties, exercise their judgment, and report the committee's performance, which are assigned by the Board of Directors without being influenced by executive directors or major shareholders of the Company, including related persons or relatives.

Independent director's roles and duties

- Independent directors should have access to adequate financial and other business information for them to perform their duties effectively.
- They should regularly attend every board meeting, including committee meetings, and raise questions to ensure the interests of Company's shareholders' and the protection of rights of other stakeholders, and that the Company complies with best practices.
- Independent directors should possess abilities and display willingness to learn the Company's business, and express their views independently, as well as dedicate time and attention to the Company as needed.
- Independent directors should regularly hold meetings among themselves and try in every way possible to look for opportunities in which they can discuss business management issues with the management.
- Independent directors are expected to submit a confirmation letter to the Company verifying their independence in accordance with the Company's definition on the date they accept the appointment and every subsequent year if required.
- It is expected that there should be specific terms given to independent directors, and no director is expected to stay on beyond a certain time limit. Nonetheless, the difficulties of searching for an appropriate replacement and the benefits of the working relationship built up over the years among the independent directors and their understanding of the business must also be taken into account. Accordingly, at present no time limit has been set for the independent directors apart from the statutory limits placed under applicable law.

Nomination and selection of directors and top executives

The Nomination and Remuneration Committee shall review the structure and composition of the Board of Directors, set nomination criteria and search for candidates with qualifications appropriate for the Company's situation and needs.

Board diversity policy

The Company considers increasing diversity at the board level as an essential element in supporting the attainment of its strategic objectives and sustainable development. The board members represent diversity from a range of perspectives including gender, race, nationality, age, educational background, skills, knowledge, and professional experience. This diversity is important to ensure that the Company has a well-rounded and balanced perspective on the issues and opportunities it faces. A diverse board with a significant number of female directors, can lead to better decision-making which provides a competitive advantage for the Company. Accordingly, it is recommended that at least 30% of the board be composed of female directors, as it is a good practice for diversity and inclusivity.

Furthermore, having a diverse Board of Directors with members who possess a range of skills and experiences is important for the Company. This diversity can bring valuable insights and perspectives to the table, particularly in areas such as shipping, financial management, technology, risk management, law and compliance. These sets of skills are referred to as a 'board skill matrix', which can help the Company make well-informed decisions and navigate potential challenges in these areas.

A board skill matrix is used annually for the Nomination and Remuneration Committee to identify gaps in the current composition of the Board of Directors, to assess the overall skills and qualifications of present directors, and to set criteria for the suitable profile of newly nominated directors.

When selecting new directors, the Board of Directors evaluates candidates based on their qualifications and the mix of skills they bring to the table. They also take into account diversity and how the candidate aligns with the Company's strategic direction.

Criteria and procedure for selection and appointment of new directors

The criteria and procedure when selecting and appointing new directors varies depending upon the circumstances of the Company at the particular time. In general, when the Board of Directors intends to appoint a new director (as a vacancy occurs or as an additional member on the board), the following criteria and procedure are followed in selecting and appointing a new director to the Board of Directors:

- The Nomination and Remuneration Committee evaluates the range of skills, experience, expertise, and diversity of the existing directors using the board skills matrix. Additionally, the committee identifies other appropriate qualifications giving consideration in line with the Company's strategic direction, and gaps which need to be filled. Consideration is given to the balance of independent directors on the board and the best practice recommendations as set out in the SET corporate governance principles.
- To seek suitable candidates, the Nomination and Remuneration Committee may utilize the personal network of the board members and top executives of the Company, consider proposals from the shareholders, engage an external search firm, or use director pool information from the Thai Institute of Directors (IOD).
- The Nomination and Remuneration Committee screens the director candidates and then interviews each interested preferred candidate to identify those individuals who best fit the target candidate's profile. Once the Nomination and Remuneration Committee has identified an appropriate candidate for the Board to consider, it may also arrange the board members to meet with the candidate.
- The Nomination and Remuneration Committee submits its recommendations to the Board of Directors, which is proposed for the shareholders' approval at the shareholders' meeting or which is proposed for the board's approval as a temporary replacement if a director resigns during his or her term in office and a casual vacancy is created.

Criteria and procedure for the re-election of directors who retire by rotation

In accordance with section 71 of the Public Limited Companies Act B.E. 2535 and article No.17 of the Articles of Association of the Company, at every annual general meeting, at least one-third of the directors, or, if their number is not a multiple of three, then the number nearest to one-third, must retire from office. In every subsequent year, the director who has been longest in office shall retire. A retiring director is eligible for re-election. The following criteria and procedure are followed for the re-election of a director who retires by rotation:

- The Nomination and Remuneration Committee considers the past performance of the retiring directors e.g. attendance, participation in meetings, and other contributions to the activities undertaken by the Board of Directors.
- After reviewing, the Nomination and Remuneration Committee submits its recommendations to the Board of Directors, which is proposed for the shareholders' approval at the shareholders' meeting.

Nomination of directors for the year 2024

The Company invited the shareholders to nominate a candidate to be elected as a member of the Board of Directors in the Annual General Meeting of Shareholders (AGM) No. 1/2024 through the Company's website from 10 October 2023 to 31 December 2023. However, there were no proposals from the shareholders.

The Board of Directors proposed the re-election of the following four (4) directors who retired by rotation at the AGM No. 1/2024 for the shareholders' consideration and approval:

- | | |
|----------------------------------|--|
| 1. Ms. Nishita Shah | Director |
| 2. Mr. Kirit Shah | Nomination and Remuneration Committee Member / Director |
| 3. Mr. Chaipatr Srivisarvacha | Chairman of the Board of Directors / Independent Director |
| 4. Professor Dr. Pavida Pananond | Chairperson of Sustainability and Risk Management Committee / Audit and Corporate Governance Committee Member / Independent Director |

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, was of the opinion that the above four (4) directors were eligible to be and should be nominated for re-election. They were mature, highly qualified, and widely experienced in international business and have vast experience, in international trading, finance, and shipping which will enable them to provide valuable inputs to the existing operations as well as give direction for the future growth and sustainability of the Company. It was expected that the Company would benefit immensely from their knowledge, ideas, and suggestions that they would bring to the Board of Directors.

The shareholders approved the re-election of the four (4) directors who retired by rotation, with the majority votes cast by all shareholders who were present and eligible to vote. The shareholders who were eligible to vote had one vote for each share they held.

2. Directors' Development

The Board of Directors continues to try and enhance their value by participation in activities, courses and events which add to their knowledge base in the continually changing business environment to ensure that they are updated and possess full knowledge. All board members (100% of the Board of Directors) have attended the Director Certification Program (DCP) and/or the Director Accreditation Program (DAP) held by the Thai Institute of Directors Association (IOD).

The Company encourages every director to acquire further knowledge through training imparted by the Thai Institute of Directors Association (IOD), Thai listed Companies Association (TLCA) and other leading organizations as well as attend seminars to enhance their ability to perform their roles.

In 2024, the Company's management attended a "Strategy Review" session together with the Board of Directors. Besides presentations by members of the management, there was also a presentation on the outlook of the shipping market, by an industry expert.

Details of directors who attended training programs/seminars in 2024

Director's name	Seminar/Training course	Conducted by
Mr. Kamtorn Sila-On	Japan Thailand Top Executive Program (J-ToP)	University of the Thai Chamber of Commerce
Mr. Khalid Moinuddin Hashim	The Top Executive WSH Programme (TEWP Synchronous E-Learning) certificate	Absolute Kinetics Consultancy Pte Ltd.

Director's name	Seminar/Training course	Conducted by
Mr. Gautam Khurana	TLCA CFO professional development program (TLCA CFO CPD) No. 8/2024 on the topic 'How AI will transform the CFO's role'	Thai Listed Companies Association
	TLCA CFO professional development program (TLCA CFO CPD) No. 7/2024 on the topic 'Economic Update for CFO' (No. 2)	Thai Listed Companies Association
	TLCA CFO professional development program (TLCA CFO CPD) No. 6/2024 on the topic 'Cybersecurity & Risk Management for CFOs'	Thai Listed Companies Association
	Speaker at Capital Link's Annual International Shipping Forum in Shanghai	Capital Link Investment Forums
	Speaker at the Southeast Asia Corporate Decarbonization Exchange (CDx)	Corporate Decarbonization Exchange (CDx)
	TLCA CFO professional development program (TLCA CFO CPD) No. 2/2024 on the topic 'Economic Update for CFO'	Thai Listed Companies Association
Ms. Sirasa Supawasin	The training course "Mergers & Acquisitions"	OMEGAWORLDCLASS

Directors' orientation

The Company secretary provides any newly appointed director with the background of the Company's business, profile and industry along with all the relevant documents such as the director's handbook, the Company's corporate documents, CG policy manual, business ethics and code of conduct manual, anti-corruption policy, laws, regulations and practices which are related to the trading of Company's shares.

The Company arranged such a directors' orientation program for the new director who was appointed in 2023.

3. Performance Evaluation of the Board, the Sub-committees and the Managing Director

Criteria

The Company conducts an evaluation of the performance of the Board of Directors, the sub-committees, and the Managing Director at least once a year.

Procedures

- The Company secretary is responsible for distributing evaluation forms to the directors of the Company, which include forms for evaluating the board as a group and on an individual basis, as well as forms for evaluating sub-committees. The Managing Director's evaluation form is specifically distributed to the non-executive directors.
- The performance evaluation results of the Board of Directors, sub-committees, and the Managing Director are presented for discussion at the non-executive directors' meeting.
- In the board meeting, a summary of the recommendations from the performance evaluations of the Board of Directors, the sub-committees, and the Managing Director is presented to the board for consideration.

Board self-assessment

Board members conducted a self-assessment as a group through a questionnaire following the IOD guidelines which covered the subjects as follows:

- Structure and characteristics of the board
- Roles and responsibilities of the board
- Board of Directors' meetings
- The board's performance of duties
- Relationship with management
- Self-development of directors and executive development

In addition to the performance evaluations mentioned previously, the board members also conduct a self-assessment on an individual basis through a questionnaire following the IOD guidelines, which cover the following subjects:

- Personal qualifications
- Readiness to perform duties
- Participation in Board of Directors' meetings
- Roles, duties and responsibilities
- Relationship between the board and management

At the Board of Directors Meeting held on 8 November 2024, the board members acknowledged the scores of the board's self-assessment as a group and as individuals. Both assessments fell in the level of "Excellent". The Board of Directors intends to use this result to further improve its performance. The Company intends that the self-assessment be done every year in order to comply with the good corporate governance practice and accordingly this exercise will be conducted again in the year 2025.

The board committees' self-assessment

The Company has four (4) board committees, i.e., the Audit and Corporate Governance Committee, the Sustainability and Risk Management Committee, the Executive Board of Directors, and the Nomination and Remuneration Committee. In the Board of Directors meeting held on 8 November 2024, the Board of Directors acknowledged the results of each board committee self-assessment conducted by members of each board committee through a questionnaire following the IOD guidelines which covered the subjects as follows:

- Structure and characteristics of the board committees
- Board committees meeting
- Roles and responsibilities of the board committees in each particular committee

The scores of each board committee self-assessment are summarized as follows

Board committees	2024 results of self-assessment
Audit and Corporate Governance Committee	Excellent
Sustainability and Risk Management Committee	Excellent
The Executive Board of Directors	Excellent
Nomination and Remuneration Committee	Excellent

Each board committee intends to use this result to further improve its performance. The Company intends that the self-assessment be done every year in order to comply with good corporate governance practice and accordingly, this exercise will be conducted again in the year 2025.

Managing Director evaluation

In the Board of Directors meeting held on 8 November 2024, the Board of Directors acknowledged the results of Managing Director evaluation conducted by non-executive directors through a questionnaire following the SET guidelines which covered the subjects as follows:

- Leadership
- Strategy formulation
- Strategy execution
- Financial planning/performance
- Relationships with the board
- External relations
- Human resources management/relations
- Succession
- Product/service knowledge
- Personal qualities

The score of Managing Director evaluation fell in the level of “Excellent”. The Company intends that the Managing Director evaluation be done every year in order to comply with good corporate governance practice and accordingly this exercise will be conducted again in the year 2025.

4. Meeting Attendance and Remuneration of Directors

4.1 Board of Directors’ meetings

The Board of Directors meetings for the coming year are scheduled and informed the board members in advance by the end of each year.

For each meeting, through the year, an agenda is predetermined by the Chairman of the Board of Directors and Managing Director. The meeting has a specific agenda, which would include a review of the Company’s operations.

The Company secretary sends the notice of the meeting and relevant documents to all directors, at least seven (7) days prior to the meeting date, so as to allow sufficient time for them to review the information before joining the meeting.

Board of Directors’ meetings are held after the Audit and Corporate Governance Committee meeting so that the minutes of the Audit and Corporate Governance Committee meeting can be sent to the Board of Directors for their consideration and discussion during the board meeting. Directors are free to contact an executive director directly, should they feel the need to obtain any additional clarification.

Unless there is reasonable ground or necessity, each director must attend at least 75% of all board meetings held in a year.

In every meeting, the minutes of the meeting are recorded, reviewed and adopted by the Board of Directors. The minutes of the meeting are kept with the Company secretary for ready reference and review by other concerned parties.

A board meeting via electronic means is held in accordance with relevant laws and regulations concerning electronic meetings.

Details of directors’ attendance for Board of Directors and sub committee meetings held in 2024 are set out in the following table

Director's name		Board of Directors and Sub Committee meetings										Annual General Meeting of the Shareholders (E-AGM)
		Attendance / Total meetings (times)										
		Board of Directors		Audit and CG Committee		Sustainability and Risk Management Committee		Executive Board of Directors		Nomination and Remuneration Committee		
		In-person	By electronic means	In-person	By electronic means	In-person	By electronic means	In-person	By electronic means	In-person	By electronic means	
1.	Mr. Chaipatr Srivisarvacha	4/5										1/1
2.	Mr. Kamtorn Sila-On	5/5		4/4		4/4						1/1
3.	Ms. Pensri Suteerasarn	5/5		3/3	1/1	3/3	1/1			2/2		1/1
4.	Professor Dr. Pavida Pananond	5/5		4/4		4/4						1/1
5.	Ms. Qiyu (Jackie) Wang	4/4	1/1			3/3	1/1			2/2		1/1
6.	Mr. Khushroo Kali Wadia	5/5										1/1
7.	Ms. Nishita Shah		4/5									0/1
8.	Mr. Kirit Shah	5/5								2/2		1/1
9.	Mr. Ishaan Shah	5/5										1/1
10.	Mr. Khalid Moinuddin Hashim	5/5				4/4		13/13				1/1
11.	Mr. Gautam Khurana	5/5						13/13				1/1
12.	Ms. Sirasa Supawasin	5/5										1/1
13.	Mr. Chandrasekhar Sivaraman Venkatraman							13/13				
Total meetings		5 times		4 times		4 times		13 times		2 times		1 time
Percentage of meeting attendance		97%		100%		100%		100%		100%		92%

For the year 2024, all resolutions of the Board of Directors were passed by the vote of the directors present at the Board of Directors' meetings with a quorum of more than two-thirds of all the board members.

On 8 November 2024, the non-executive directors held a meeting among themselves to discuss the business management issues and performance of the executive directors. The results from the meeting were reported to the Board of Directors.

4.2 Directors' remuneration

The Board of Directors appointed the Remuneration Committee in its meeting held on 15 November 2007. Subsequently, the Board restructured the committees by combining the Remuneration Committee and the Nomination Committee into one committee, namely the "Nomination and Remuneration Committee" by the resolution of the Board of Directors in the Board meeting No. 3/2023 held on 15 May 2023. The Nomination and Remuneration Committee is responsible for overseeing the remuneration of directors. The details of Nomination and Remuneration Committee such as members, qualification, duties and responsibilities are disclosed on the website of the Company and under the subject "**Organization Structure**" of this annual report.

The proposal of the directors' remuneration and the recommendations and opinion of the Board of Directors regarding the directors' remuneration would be presented for approval in shareholders' meeting. Any recommendations on directors' remuneration must meet the criteria specified by the Board of Directors. The criteria are clearly laid out in the corporate governance policy of the Company.

In the years 2024 and 2023, the Company proposed the directors' remuneration for the year as a fixed retainer fee without any other compensation which was paid quarterly in equal installments for each respective quarter, which was approved in the shareholders' meeting as follows:

(In million baht)

Name of directors			Amount							
			2024				2023			
			Board of Directors	Audit and Corporate Governance Committee	Sustainability and Risk Management Committee	Total	Board of Directors	Audit and Corporate Governance Committee	Sustainability and Risk Management Committee	Total
1	Mr. Chaipatr Srivisarvacha	Chairman of the Board of Directors, Independent Director	1.20			1.20	1.20			1.20
2	Mr. Kamtorn Sila-On	Chairman of the Audit and CG Committee, Member of the Sustainability and Risk Management Committee, Independent Director	0.55	0.40	0.10	1.05	0.55	0.40	0.13	1.08
3	Ms. Pensri Suteerasarn	Member of the Audit and CG Committee, Member of the Sustainability and Risk Management Committee, Independent Director	0.55	0.20	0.10	0.85	0.55	0.20	0.10	0.85
4	Professor Dr. Pavida Pananond	Chairperson of the Sustainability and Risk Management Committee, Member of the Audit and CG Committee, Independent Director	0.55	0.20	0.15	0.90	0.55	0.20	0.13	0.88
5	Ms. Qiyu (Jackie) Wang	Member of the Sustainability and Risk Management Committee, Independent Director	0.55		0.10	0.65	0.41		0.05	0.46
6	Mr. Khushroo Kali Wadia	Director	0.55			0.55	0.55			0.55
7	Ms. Nishita Shah	Director	0.55			0.55	0.55			0.55
8	Mr. Kirit Shah	Director	0.55			0.55	0.55			0.55
9	Mr. Ishaan Shah	Director	0.55			0.55	0.55			0.55
10	Mr. Khalid Moinuddin Hashim	Managing Director, Executive Director	0.55			0.55	0.55			0.55
11	Mr. Gautam Khurana	Executive Director	0.55			0.55	0.55			0.55
12	Ms. Sirasa Supawasin	Executive Director	0.55			0.55	0.55			0.55
Total annual remuneration*			7.25	0.80	0.45	8.50	7.11	0.80	0.41	8.32

* Paid quarterly to the Chairman of the Board of Directors Baht 300,000 per quarter, each board member Baht 137,500 per quarter, the Chairman of Audit and CG Committee an additional Baht 100,000 per quarter, each Audit and CG Committee member an additional Baht 50,000 per quarter, the Chairperson of Sustainability and Risk Management Committee an additional Baht 37,500 per quarter and each Sustainability and Risk Management Committee member (only a member who is an independent director) an additional Baht 25,000 per quarter

The comparison of remuneration of the Chairman, directors, the Chairman of Audit and Corporate Governance Committee, Audit and Corporate Governance Committee members, the Chairperson of Sustainability and Risk Management Committee, Sustainability and Risk Management Committee members and management between the Company and other listed companies and listed companies in the service sector is as follows:

(In million baht/person/year)

Description	* PSL		** Service sector											
	2024	2023	Mean			Median			Min			Max		
			Retainer	Retainer & Attendance	Retainer, Attendance & Bonus	Retainer	Retainer & Attendance	Retainer, Attendance & Bonus	Retainer	Retainer & Attendance	Retainer, Attendance & Bonus	Retainer	Retainer & Attendance	Retainer, Attendance & Bonus
Chairman of the BOD	1.20	1.20	0.80	0.97	1.66	0.60	0.73	1.11	0.12	0.15	0.20	4.56	5.91	9.94
Executive Directors	0.55	0.55	0.34	0.45	0.94	0.25	0.32	0.57	0.12	0.15	0.23	1.20	1.79	4.54
Non-Executive Directors	0.55	0.55	0.37	0.48	0.90	0.27	0.36	0.64	0.12	0.15	0.20	1.20	2.10	4.85
Management	10.92	9.72	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Chairman of Audit and CG Committee ***	0.40	0.40	0.32	0.68	0.68	0.32	0.68	0.68	0.24	0.60	0.60	0.40	0.76	0.76
Audit and CG Committee members ***	0.20	0.20	0.16	0.35	0.35	0.16	0.35	0.35	0.12	0.31	0.31	0.20	0.39	0.39
Chairperson of Sustainability and Risk Management Committee ****	0.15	0.15	0.17	0.26	0.26	0.15	0.23	0.23	0.15	0.21	0.21	0.20	0.34	0.34
Sustainability and Risk Management Committee members ****	0.10	0.10	0.12	0.19	0.19	0.10	0.17	0.17	0.10	0.14	0.14	0.16	0.28	0.28

* PSL's figures are actuals of respective years

** From IOD's Thai Directors Compensation Survey 2024

*** Additional Remuneration as Chairman of Audit and CG Committee/Audit and CG Committee member

**** Additional Remuneration as Chairperson of Sustainability and Risk Management Committee/Sustainability and Risk Management Committee member

N.A. Not available since not reported

(In million baht/person/year)

Description	* PSL		** All listed companies with revenue 5,001 – 10,000 MB											
	2024	2023	Mean			Median			Min			Max		
			Retainer	Retainer & Attendance	Retainer, Attendance & Bonus	Retainer	Retainer & Attendance	Retainer, Attendance & Bonus	Retainer	Retainer & Attendance	Retainer, Attendance & Bonus	Retainer	Retainer & Attendance	Retainer, Attendance & Bonus
Chairman of the BOD	1.20	1.20	0.62	0.81	1.43	0.50	0.65	1.05	0.22	0.27	0.33	4.08	5.43	7.03
Executive Directors	0.55	0.55	0.30	0.42	0.95	0.30	0.41	0.78	0.12	0.17	0.23	0.60	1.19	2.41
Non-Executive Directors	0.55	0.55	0.32	0.44	0.90	0.30	0.40	0.75	0.12	0.17	0.23	0.70	1.60	3.00
Management	10.92	9.72	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Chairman of Audit and CG Committee ***	0.40	0.40	0.38	0.61	0.61	0.38	0.59	0.59	0.36	0.48	0.48	0.40	0.76	0.76
Audit and CG Committee members ***	0.20	0.20	0.25	0.40	0.40	0.25	0.40	0.40	0.20	0.32	0.32	0.30	0.49	0.49
Chairperson of Sustainability and Risk Management Committee ****	0.15	0.15	0.13	0.19	0.19	0.12	0.18	0.18	0.04	0.06	0.06	0.24	0.36	0.36
Sustainability and Risk Management Committee members ****	0.10	0.10	0.07	0.11	0.11	0.06	0.10	0.10	0.02	0.04	0.04	0.12	0.20	0.20

* PSL's figures are actuals of respective years

** From IOD's Thai Directors Compensation Survey 2024

*** Additional Remuneration as Chairman of Audit and CG Committee/Audit and CG Committee member

**** Additional Remuneration as Chairperson of Sustainability and Risk Management Committee/Sustainability and Risk Management Committee member

N.A. Not available since not reported

(In million baht/person/year)

Description	* PSL		** All listed companies with the market capital 10,001 - 50,000 MB											
	2024	2023	Mean			Median			Min			Max		
			Retainer	Retainer & Attendance	Retainer, Attendance & Bonus	Retainer	Retainer & Attendance	Retainer, Attendance & Bonus	Retainer	Retainer & Attendance	Retainer, Attendance & Bonus	Retainer	Retainer & Attendance	Retainer, Attendance & Bonus
Chairman of the BOD	1.20	1.20	0.89	1.12	1.88	0.68	0.83	1.43	0.12	0.17	0.22	3.00	6.00	8.61
Executive Directors	0.55	0.55	0.46	0.61	1.21	0.36	0.46	0.86	0.12	0.17	0.22	1.74	3.24	5.48
Non-Executive Directors	0.55	0.55	0.46	0.61	1.17	0.36	0.46	0.84	0.12	0.15	0.19	1.74	3.24	5.89
Management	10.92	9.72	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Chairman of Audit and CG Committee ***	0.40	0.40	0.37	0.44	0.44	0.38	0.45	0.45	0.30	0.35	0.35	0.42	0.52	0.52
Audit and CG Committee members ***	0.20	0.20	0.25	0.32	0.32	0.24	0.31	0.31	0.20	0.24	0.24	0.30	0.40	0.40
Chairperson of Sustainability and Risk Management Committee ****	0.15	0.15	0.13	0.23	0.23	0.13	0.23	0.23	0.10	0.14	0.14	0.15	0.31	0.31
Sustainability and Risk Management Committee members ****	0.10	0.10	0.08	0.15	0.15	0.08	0.16	0.16	0.05	0.07	0.07	0.10	0.22	0.22

* PSL's figures are actuals of respective years

** From IOD's Thai Directors Compensation Survey 2024

*** Additional Remuneration as Chairman of Audit and CG Committee/Audit and CG Committee member

**** Additional Remuneration as Chairperson of Sustainability and Risk Management Committee/Sustainability and Risk Management Committee member

N.A. Not available since not reported

5. Supervision of Subsidiaries and Associated Companies¹

The Company shall at all times, ensure that all the subsidiaries' and associated companies¹ are in compliance with applicable laws and regulations.

The Board has set up the following mechanism in order to supervise and monitor corporate governance of the Company's subsidiaries and associated companies¹.

- The Company shall nominate directors in each subsidiary as appropriate for the business operations of such subsidiary and the governing laws and regulations. For associated companies¹, director appointment shall be as per an investment agreement (if any).
- The Board of Directors considers proposed candidates for executive directors on the Executive Board of Directors of the Company. The executive directors are generally appointed as directors in the Company's subsidiaries. However, the number of directors in each subsidiary depends on business requirements and governing laws.
- Directors of the subsidiaries perform their duties in conformity with applicable laws and ensure that the business of the subsidiaries operates in accordance with applicable laws. The directors, in their business conduct, are expected to generally act with care to preserve the interest of the Company.
- Financial performance of the subsidiaries shall also be reported to and considered by the Company's Board of Directors on a regular basis.
- The executive directors shall ensure that the Company and its subsidiaries comply with the disclosure requirements of the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC). They shall also ensure that all material information is disclosed in a timely and accurate manner.
- The internal control systems and policies of the Company shall extend to its subsidiaries. The internal audit department will monitor the implementation of these policies and procedures at the subsidiaries and report any issues to the Audit and Corporate Governance Committee. The committee will then review the findings and take appropriate action to address any issues identified.

¹ "associated company" means:

- a company whose shares are held by the parent company or the subsidiary company in an aggregate number of more than twenty percent but not exceeding fifty percent of the total number of shares with voting rights of the company being held;
- a company in which the parent company or the subsidiary company has the power to participate in making decisions on financial policies and operational matters of the company but not insomuch as to have control over such policies and not deemed as a subsidiary company or joint venture.

The Company's implementation of good corporate governance principles is outlined hereunder:

1. Rights of shareholders and equitable treatment of shareholders

The Company recognizes the rights of shareholders as well as its fiduciary duty to ensure equitable treatment of all shareholders and to safeguard the interests of all shareholders. The basic legal rights comprise the right to buy/sell or to transfer securities held, the right to share in profits of the Company, the right to receive dividend, the right to attend the shareholders meetings, the right to propose agenda in the shareholders meetings, the right to vote for the appointment of directors and fixing of director remunerations, the right to vote for the appointment of auditors and fixing of auditors' fees and the right to take part in decision-making of the Company's material issues, such as approval of key activities affecting business direction.

Apart from the basic rights of shareholders above, the shareholders have the right to receive information on operating performance, newsletters from management and other key information via the Company's website. In accordance with good corporate governance guidelines, the Company has conducted its affairs with a view to protecting shareholders' rights and also encouraging all shareholders to exercise their rights. The policy for maintaining rights of shareholders is part of the Company's corporate governance policy manual which is disclosed on the Company's website.

The Board of Directors respects the rights of shareholders by way of facilitating the following for them to attend the annual general meetings of shareholders.

- All shareholders including the institutional shareholders are continuously encouraged to participate and vote in the shareholders' meetings.
- Proxy forms for attending the shareholders' meetings, and proxy delegation process are enclosed with the meeting invitations.
- Duty stamps are available to facilitate the proxies.
- In case of face-to-face meetings, the Company arranges the shareholders' meetings at the center of town, where it is convenient for the shareholders to get to the venue. In case of electronic meetings, the Company ensures that the selected e-meeting platform for the shareholders' meetings is secure, reliable, and user-friendly.
- The board is committed to not adding any new agenda item without notice to shareholders in advance.

The Company takes care and treats all shareholders, both major shareholders and minority shareholders as well as foreign shareholders on a fair and equal basis. The board ensures that all shareholder rights are protected and that they all get fair treatment.

2. Role of stakeholders

The Company recognizes the importance of all stakeholder groups whether it is the internal stakeholders such as shareholders, employees and management of the Company and subsidiaries or external stakeholders such as creditors, suppliers, customers, communities, government agencies and other related organizations. The Company is aware that the support from each stakeholder would help establish the Company's competitive advantages and profitability, which would contribute greatly to the Company's long-term success and prosperity. The Company has also amended the Company's website to include, under the subject of "Stakeholder Activities", the policy and code of conduct towards stakeholders in business ethics and code of conduct manual and included therein a way whereby the website can be used as one of the intended channels for any stakeholder to express his/her opinion and contact the Board of Directors in case they wish to contact the Board of Directors directly without going through the management. The board will treat such information seriously and will maintain utmost confidentiality. If the complaints are not unfounded, the board would take all remedial action that may be necessary.

- **Management:** The Company recognizes that management is one of the key determinants of success for the Company's operations and accordingly, management remuneration is appropriately structured and comparable with the industry norms and other equivalent listed companies in Thailand. The management is also allowed to work independently without interference as defined in their duties and responsibilities, which are approved by the Board of Directors.

- **Employees:** The Company recognizes that employees are key drivers for smooth and successful operations. The Company provides equal opportunities in employment and career advancement without prejudice to race, gender, religion and age. The Company emphasizes its recognition and commitment towards gender equality by way of including a separate diversity and inclusion policy in its business ethics and code of conduct to ensure that all job applicants and employees are treated with fairness and dignity at the workplace, regardless of their gender and background. In October 2021, the Company has also become a signatory to the women's empowerment principles established by UN Global Compact and UN Women, which are a set of principles offering guidance to business on how to promote gender equality and women's empowerment in the workplace, marketplace and community. Human resource policies conform to local labor law regulations. The Company ensures that employees possess adequate knowledge and skills to perform their jobs for the Company's business and understand the relevant code of conduct and practice and are encouraged to gain knowledge and ability and keep them updated following industry trends. The subject of safety and occupational health of all seafarers serving onboard the Company's ships has been explained under the subject of **"Sustainable Development"** of this annual report.

The Company provides remuneration to office employees as salary, bonus, and other benefits, like provident fund on a voluntary basis, although such other benefits are not required by law. Remuneration is based on their performance, roles and duties and incentives/ increments/ bonuses are also based on financial status/performance and future plans of the Company. As a long-term incentive, the Company does not have an employee stock option plan in place since the Company feels that to a large extent, the share price of the Company depends on a number of factors beyond the employees' direct control like the state of the international freight markets and therefore, the Company's share price may not adequately reflect the better performance of the employees. Therefore, the Company has implemented a profit-sharing scheme, which ensures that the employees are paid bonuses annually based on the performance of the Company against specified quantitative targets, which are laid down annually in advance.

The Company provides in-house and external training for officers of the Company both at head office as well as on the ships. The costs of such training are borne by the Company. Moreover, the Company allows special leave and flexible working hours for employees who are undergoing longer term professional or degree courses. Moreover, the Company supports a good relationship between all employees including the management.

The Company has appointed the welfare committee consisting of five (5) employees from various departments to oversee employee well-being, consult with the management on employees' welfare issues, provide advice, and make recommendations to the Company regarding employee welfare.

- **Brokers:** The Company recognizes that shipbrokers with whom the Company regularly deals with for obtaining business for the Company's ships are one of the Company's key success factors. Accordingly, terms are negotiated with a view to ensuring fairness and in keeping with industry norms so as to ensure a mutually beneficial long-term working relationship.
- **Creditors:** The Company recognizes that financial creditors are an important determinant of the success for the Company, given the Company's highly capital-intensive business. The Company values its relationship with and its commitment towards all of its lenders and therefore, the Company generally complies with all terms in borrowings including compliance with the objectives of using the borrowed funds, repayment, collateral, and other conditions as may be agreed. Moreover, if there is any covenant in any of the loan agreements with which the Company is unable to comply, the Company proactively approaches the lenders to seek a waiver or achieve other mutually acceptable solutions.
- **Suppliers:** The Company recognizes the importance of satisfied suppliers and so the Company always ensures that suppliers are provided with equal information. Terms and conditions for suppliers are based on industry norms and practices and thereafter, agreed terms and conditions are strictly followed by the Company. Furthermore, the Company keeps the suppliers' information confidential and does not use such information for any inappropriate benefit.

- **Customers:** The Company recognizes that its customers are a key driver of success. The Company always protects customers' interests, is attentive and ultimately responsible for the needs of the customers with regard to service, and in setting and maintaining steady standards of service. The customers' confidential information is used exclusively for concerned business, without revealing it unless required by laws, regulations, or with consent from the information owners, including issues related to marketing, market power exercises, price setting, and details of services, quality and safety.
- **Competitors:** The Company acts within the rules of fair trade and refrains from making any attempt to damage trade competitors' reputations with false allegations against their companies. The Company does not make any attempt to access competitors' confidential information or use dishonest or inappropriate means for any purpose. The Company is proactive in sharing information that can benefit the shipping industry as a whole and contribute to sustainable economic, social, and environmental development of society.

In 2024, there were no disputes or lawsuits between the Company and its competitors.

- **Social responsibility to the community:** The Company recognizes its responsibility to the community and is often involved in supporting community activities and being attentive to the consequences of the Company's conduct that affect the people more than what the laws require, including making efforts to absorb social accountability. The Company has provided a separate detailed report under the subject of **"Sustainable Development"** of this annual report.
- **Regulators:** Apart from the various regulations which the Company's ships are subjected to and explained hereunder in this report, on a corporate level, the Company recognizes that the government is a regulator who is in control of the Company's operations in respect of the fairness and transparency of trading. The Company recognizes the significance of compliance with related laws and regulations and has included its review of compliance as one of the duties of the internal audit department headed by a qualified internal auditor. The internal audit department provides an annual compliance review report of related laws and regulation and directly report to the Audit and Corporate Governance Committee as explained under the **"Audit and Corporate Governance Committee Report"** of this annual report.
- **Environment:** The Company recognizes that shipping operations if conducted irresponsibly may affect the environment, particularly in terms of air and/ or water pollution.

As part of its environmental protection policy, the Company is committed to the protection and conservation of the environment and ranks environmental considerations equally with commercial and operational factors in managing its operations and implements this policy. The Company has provided a separate detailed report under the subject of **"Sustainable Development"** of this annual report detailing the steps taken by the Company and its compliance with various regulations/norms.

- **Respect for human rights principles:** The Company requires that all of its directors, management, and employees strictly respect human rights laws including those that relate to forced labor or child labor. The Company does not tolerate any violations thereof. All stakeholders are treated fairly and in a dignified manner, without any discrimination on the basis of national origin, race, gender, age, skin color, religion, physical condition, status, or birth. The Company also promotes the monitoring of human rights compliance within the Company and encourages business partners, suppliers, and other relevant parties in the supply chain of the Company and its controlled entities in Thailand and overseas to conduct business in a manner that respects human rights.

In 2024, the Company did not receive any complaints or reports on human rights issues.

- **Ethics for intellectual property rights:** The Company requires that all of its directors, the management, and employees respect the intellectual property rights of others, whether in relation to trademarks, patents, copyrights, classified commercial information, or other stipulated categories of intellectual property, such as using only licensed software that has been inspected and installed by the Company's information technology department, and encouraging our employees to ensure that the application of research findings or other data in their work does not constitute a violation of other people's intellectual property rights.

3. Disclosure and transparency

The Company has tightened procedures to take care of important information to be disclosed, including both financial and non-financial statements and reports. The information is disclosed correctly, accurately, on a timely basis and transparently through the proper channels that users can conveniently access.

3.1 Board of Directors' report

The Board of Directors is responsible for the Company and its subsidiaries' financial statements and financial information presented in this annual report. The report on the Board of Directors' responsibilities for financial statements is presented along with the report of independent auditor and audited financial statements in this annual report.

3.2 Relations with investors

The Board of Directors recognizes the importance of accurate, complete and transparent disclosure of financial information and general information, which may affect the Company's share price. The Company provides the information through the SET, the Company's website and through regular newsletters and communications from the Managing Director. The Company has established an investor relations division to disseminate information to shareholders and other stakeholders including investors and analysts so as to foster a deep understanding of the Company and its business. The corporate information and performance data is posted in both Thai and English on the Company's website and through various media.

The following three channels to contact investor relations

- By email: ir@preciousshipping.com
- By fax: +662-236-7654
- By contact IR persons: information of IR persons is hereabove in “**Organization Structure**” of this report

The Company has joined many events for press/analyst briefings, which are attended personally by the Managing Director and/or the executive directors. Some of the major events in which the Company participated in the last three (3) years are enumerated herein as under:

Year / Times	Analyst meetings / Communications	Investor meetings / Communications	Presentations Roadshows	Press and TV interview	Total
2024	14	14	14	4	46
2023	25	25	15	2	67
2022	29	15	9	11	64

4. Responsibilities of the board

4.1 Explicit responsibilities of the Board of Directors

The Board of Directors performs its duties and carries on the business of the Company in conformity with applicable laws, the Company's objectives and the memorandum and articles of association, as well as the resolutions of the shareholders' meetings. The board shall be involved in any matters that may have a significant impact on the Company's business. The following matters require decision or approval from the board:

- Designation of the authorized directors to bind the Company.
- Appointment of executive directors and members of the sub committees, in the manner prescribed by law.
- Authorizing the sale or mortgage any of the Company's immovable properties, to let any of the Company's immovable properties for the period more than three (3) years, to make a gift, to compromise, to file complaints to the court and to submit the dispute to the arbitration.
- Approval of annual and quarterly financial results.

- Approval of the vision and mission statement, core values and code of business conduct.
- Approval of major decisions in respect of the Company's business direction and policies.
- Decision on major investments and contracts with significant impact to the Company.
- Any matters and/or transactions within the ambit of the board pursuant to the memorandum and articles of association of the Company, the Public Limited Companies Act B.E. 2535, and other relevant laws and regulations.

The Board of Directors has clearly defined and demarcated duties and responsibilities between each committee as mentioned under the **"Organization Structure"** section of this annual report.

4.2 Board diversity

The Company developed board skill matrix in order to create a wide range of expertise in line with the Company's business operations. The Company considers increasing diversity at the board level as an essential element in supporting the attainment of its strategic objectives and sustainable development. The board members represent diversity from a range of perspectives including gender, age, educational background, skills, knowledge, and professional experience. And for the selection of new directors, the Board of Directors will consider the candidate's qualifications, having regard to the mix of skills, diversity and in line with the Company's strategic direction.

The number of members on the Board of Directors is commensurate with the size and complexity of the Company's business. As of 31 December 2024, there are twelve (12) directors on the Board of Directors of the Company which consists of three (3) executive directors who hold executive roles and are full-time employees of the Company and nine (9) non-executive directors, five of whom are independent directors (42% of the board). Moreover, the board consists of five (5) female directors (42% of the board).

4.3 Succession plan

The Board of Directors shall ensure a systematic nomination for the proper candidate to replace a director or top executive position suitably in line with the succession planning policy. The Nomination and Remuneration Committee is appointed to propose the appointments of new directors and key executives (Managing Directors and executive directors) to the board by considering the proper candidate both from internal and external candidates. The Nomination and Remuneration Committee is responsible for considering candidates' skills, experience, and specific qualifications for the best interest of the Company. To support its succession planning process, in 2024 the Company has hitherto been quite successful in sourcing and retaining such highly skilled and qualified personnel. The Company continues to take a number of initiatives including establishing a detailed succession plan to attract and retain talent. Moreover, the Company has prepared and enhanced critical mechanisms, for instance, knowledge management, succession plan management and leadership development program as part of our management development and succession planning cycle.

4.4 Controlling system and internal audit

The Company recognizes the importance of internal control systems on an operational level to ensure that the operations are conducted efficiently. Duties of operations and management level personnel are laid down clearly. There is a proper level of control maintained on the utilization of the Company's property/assets for the highest benefit of the Company and there is clear segregation between the operations units, control units and assessment units for the purpose of maintaining appropriate checks and balances. Moreover, an internal control system for the financial and accounting functions of the Company is clearly set up which allows adequate reporting to the relevant management.

The Company has a robust internal audit department in order to ensure that the key operations and financial activities are conducted efficiently under the guidelines and relevant laws. Moreover, to ensure that the Company has complied with laws and regulations relating to the business of the Company, the internal audit department conducts regular checks. Internal auditors report directly to the Audit and Corporate Governance Committee on all matters, in order to make the internal audit department completely independent of the management.

Moreover, an internal control system for the financial and accounting functions of the Company is clearly set up which allows adequate reporting to the relevant managers to achieve the following objectives:

1. Efficient and effective operations, including skillful use of resources for the best benefit of the Company.
2. Accurate, reliable and prompt financial reporting.
3. Full compliance with the Company's policies, laws and regulations.

The Board of Directors recognizes the importance of risk management and is responsible directly for the risk management of the organization with the objectives to support the work performance of the management of the Company to be efficient and effective and to achieve the business objectives. The Board of Directors has specified the Company's policy on risk management and internal control on the website of the Company and under the topic "**Internal Controls**" of this annual report.

The Company also established the legal and compliance department to review and evaluate compliance issues/concerns within the organization in order to mitigate legal risk and to ensure the Board of Directors, management, and employees are in compliance with the rules and regulations of regulatory agencies, that Company policies and procedures are being followed, and that behavior in the organization meets the Company's standards of conduct.

Monitoring the compliance with policies and guidelines of corporate governance

The Board of Directors defines the duties and responsibilities for the directors, management, and employees to acknowledge and comply with the policies and terms indicated in the Company's corporate governance policy and business ethics and code of conduct. Moreover, the Company put in place a whistleblowing policy and the internal audit processes as mechanisms to monitor compliance to assure that all operations abide by such policy and principles. If the directors, management, and employees violate these principles, they will face strict disciplinary punishment.

1. Conflict of interest

The Board of Directors, through the Audit and Corporate Governance Committee, has stipulated a policy outlining the process through which transactions with a potential conflict of interest are approved.

Policy on conflict of interest

The Company has set up an important policy concerning the conflict of interests and related transactions for directors, management, and employees as laid down under the following guidelines:

- Avoid any transaction related to oneself, which may lead to a conflict of interest with the Company.
- If it is necessary to carry out such transaction for the Company's benefit, conduct it as if it is a transaction done with a third party. However, any such transaction must be fully disclosed and approved by the relevant authority within the Company in advance.
- Furthermore, directors and management, or employees having an interest in a transaction must not be involved in its approval process.
- If a transaction is considered as a related party transaction under the SET notification, director, management, and employees must strictly comply with the rules and procedures regarding information disclosure by listed companies for such transactions.
- If a director, management, employee or a member of their family is involved with or becomes a shareholder in a business in competition with the Company or any other business that may cause a conflict of interest with the Company, he/she must inform the board in writing.
- If a director, management, and employee become a director, partner, advisor or participant in any other capacity in another company or business organization, such position must not conflict with the Company's business or that person's direct responsibilities in the Company.

The Company has implemented measures to prevent conflicts of interest as follows:

- Directors disclosing their interests and those of their related parties to the board.
- Directors report their ownership of Company's shares and warrants to the board regularly.
- Director/top executive, who has a conflict of interest on a particular issue, is prohibited from participating in the decision-making process related to that issue. Normally a director/top executive, who has a conflict of interest on an issue, will leave the meeting and join back once the issue has been discussed and a decision on the same is made.
- Directors and management team disclose and report their conflict of interests, including dealings with their relatives, if any, to the Company for the Company's use in complying with the regulation about connected transactions. Such report on interest is also useful in monitoring their adherence to their duties, by the following practices;
 - A new director/management submits the "Report on Conflict of Interest Transaction" form within thirty (30) days after appointment.
 - Thereafter, if there is a change, director/management submits the updated "Report on Conflict of Interest Transaction" form immediately or no later than seven (7) working days from the transaction date.
 - The Company secretary submits a copy of the report on interest to the Chairman of the Board of Directors and the Chairman of Audit and Corporate Governance Committee within seven (7) working days from the date on which the Company has received such a report.
- All management and employees are required to report potential conflicts of interest on an annual basis. If a conflict of interest occurs, the person must promptly inform their supervisor using the electronic form for acknowledgment and further action.
- In 2024, 100% of management and employees submitted their annual conflict of interest disclosure reports through electronic forms.

Potential conflict of interest transactions

Any transaction which could lead to a potential conflict of interest and/or a related party transaction is considered very carefully by the Board of Directors with a view to full compliance with the relevant rules and regulations of the SET and the SEC, apart from compliance with the internal policies and guidelines set up by the Company. Moreover, such transactions are entered into strictly on an "Arms-Length" basis. The terms and conditions of such transactions are always in compliance with generally acceptable, standard commercial terms and conditions and appropriate disclosure regarding the details of the transactions viz. value, counter-party, reason and necessity of the transaction is made in this annual report.

In addition to the above, the Audit and Corporate Governance Committee and the internal audit department prepared the annual audit plan to review transactions that may cause conflict of interest. For the year 2024, the internal auditors audited the aforesaid transactions and reported the results thereof to the Audit and Corporate Governance Committee in the Audit and Corporate Governance Committee's meeting No. 1/2025 held in February 2025. The Audit and Corporate Governance Committee found that the Company has a proper policy for approval and prevention of abuse in such transactions. The existing conflict of interest transactions are made only on the basis of proper comparison of market prices and for the benefit of the Company. Adequate disclosures of all such material transactions have been made in this annual report.

Moreover, the internal audit department has reviewed the compliance of the Company in respect of the Notifications of the SET Re: The Disclosure of Information and Acts of Listed Companies Concerning Connected Transactions 2003 as amended from time to time and Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions as amended from time to time including the circular of the SEC about the recommended practice to be followed under section 89/12 (1) of the Securities and

Exchange Act (No.4) B.E.2551. The details of the connected transactions have been explained under the topic **“Connected Transactions”** of this annual report. The results of the review have been reported to the Board of Directors of the Company. The Board of Directors of the Company is of the opinion that such transactions are fair and for the full benefit of the Company.

2. Reporting changes in holding of the Company’s shares/warrants

To prevent abuse of inside information, all directors and management team must report any changes in their (and that of their spouses and minor children) holding of the Company’s shares and/or warrants to the Company and the office of the SEC within three (3) business days from the date of trading/transfer of the Company’s shares and/or warrants (as the case may be). The changes in Company’s shares and warrants of the directors are reported to the Board of Directors meeting every quarter.

3. Insider trading controls

Precious Shipping Public Company Limited has a policy of disseminating all significant information (both financial and non-financial) to shareholders, investors and the general public on a timely basis. Strong internal controls are in place to ensure that information released is comprehensive and accurate.

The board is committed to complying with rules and regulations in relation to the disclosure of significant information in a timely manner and with full transparency. Monitoring the use of insider information is the responsibility of the directors, and management team who are obliged to strictly monitor and prevent any leaks of the Company’s confidential and privileged information including information not yet revealed to the public or any data that might affect the Company’s operations or share price. This includes the prohibition on the use of Company’s information obtained from directorships or employment for personal benefit or conducting business or other activities in competition with the Company. The Company has documented these principles and provided guidelines in the business ethics and code of conduct manual which is disclosed on the website of the Company under the corporate governance section.

Pursuant to section 59 of the Securities and Exchange Act B.E. 2535, all directors and management team members have signed and acknowledged that they are required to report the changes in their shareholding to the Company Secretary and the office of the Securities and Exchange Commission within three (3) business days from the date of trading/transfer of the Company’s shares and/or warrants (as the case may be). Such reporting shall extend to any change in shareholding of any director/management team member’s: (i) spouse, (ii) cohabiting partner, (iii) minor children, and (iv) any juristic person in which such director/management team member holds more than 30% of the total voting rights of such juristic person (including that of his/her spouse, cohabiting partner and minor children), ((i) to (iv) referred to as “relevant persons”).

The Company secretary reports to the Board of Directors at the Board of Directors meetings every quarter on any changes in the shareholding of board members and top executives.

In accordance with the Company’s corporate governance policy, the Company does not allow the following persons to trade/transfer the Company’s shares/warrants (as the case may be) during the period of one (1) month before and two (2) days after any financial announcement of the Company and also at least five (5) days before the Company makes any significant announcement (known as the “silent period”).

- All directors and management team members (including their relevant persons); and
- The Company’s personnel in the finance and accounts department, the legal department, the internal audit department, the information system department and the investor relations department who are close to the relevant inside information of the Company.

The head of legal and compliance regularly notifies the above personnel of the silent period in advance by email and monitors compliance therewith.

According to the Company’s corporate governance policy, all directors and management team members are encouraged to inform the Company Secretary their intention (including that of their relevant persons) to trade/transfer the Company shares/warrants (as the case may be) at least a day in advance.

In addition to the above, the Company's corporate governance policy sets out an investor relation policy which stipulates that for a period of two (2) weeks prior to the planned release of financial reports (known as the "silent" or "quiet" period), the spokesperson as a representative of the Company will not discuss matters related to the Company's future financial performance or expectations with financial media, analysts and investors.

During the year, the above policy has been fully complied with and no non-compliance cases have been observed.

4. Anti-corruption

Policy on preventing corruption and bribery

The Company has a policy prohibiting all forms of bribery or corruption, either directly or indirectly to advance its business interests or those of its associates. The Company has a zero-tolerance policy for fraudulent and/or corrupt behavior and takes corruption and bribery transactions, if any, very seriously. Any violation of this policy is regarded as a serious matter by the Company and will result in disciplinary action, including termination, consistent with local law.

To affirm its resolve to combat corruption, the Company signed a Declaration of Intent of the Thai Institute of Directors' Private Sector Collective Action Coalition Against Corruption (CAC) in 2018, whereby the Company vowed to adhere to the coalition's aim to fight corruption in all forms. On 5 August 2019, the Company was officially certified as a member of the CAC.

The Company implemented the "No Gift Policy" in accordance with the suggestion from the CAC, whereby the Company requested all business partners to not give any gifts for any occasion to any of its personnel, including its directors, management, and employees at all levels. The Company continued with this practice in 2024. This no gift policy reinforces the Company's compliance with the anti-corruption policy and good corporate governance principles.

In 2024, the Company continued to maintain high ethical standards, with a view to upholding its position against any form of bribery and corruption. The continual activities throughout the year are as follows:

- Provided a training program for all directors, management, and employees in line with its code of conduct and corporate governance policy and anti-corruption policy.
- A regular bribery and corruption risk assessment to review the mitigation measures and ensure they are appropriate.
- Prescribes strict guidelines for preventing corruption and bribery such as the guideline for giving and receiving gifts and gratuities, transactions with government, etc. Details of this policy and guidelines are presented in the Company's business ethics and code of conduct and anti-corruption policy which are informed to all the employees and posted on the Company's website.
- A regular review of the internal control systems and procedures to ensure they are effective in countering bribery and corruption.
- A monitoring system to ensure that the policies and procedures are effective.

Moreover, the Company has established channels for reporting any misconduct, fraudulent act or corruption and provides protection and remedies for any person who files a complaint or cooperates in the investigation of the charge.

5. Whistleblowing policy

To ensure fair treatment of all stakeholders under the code of conduct, the Company has set up a channel to contact the Board of Directors directly (without passing through the management of the Company) for any business suggestions, complaints, or recommendations indicating impact or risks of impact on stakeholders arising from its business or from wrongful action, or violation of the code of conduct, and complaints for special cases like immoral/dishonest acts of management, breach of code of conduct, illegal acts, etc. Any employee or any other stakeholder is accordingly welcome to send a message by email or mail a letter to Khun Chaipatr Srivisarvacha, independent director and Chairman of the Board of Directors, at the following address:

By mail:

Mr. Chaipatr Srivisarvacha

217/79 Crystal Garden Condominium, Soi Sukhumvit 4, Sukhumvit Road, Klongtoey Bangkok 10110
Thailand

By e-mail:

chaipatr@capmaxx.co.th

The complaint handling procedure

When the whistle is blown or a complaint is filed, the Company will collect evidence, evaluate and formulate measures to relieve damages caused to the affected person(s) by considering the overall impact. Afterward, the person responsible for the case will follow up results of the relief and report to the appropriate staff and the filer of the complaint. Results of action will be reported to the Chairman of the Board of Directors, the Chairman of Audit and Corporate Governance Committee and/or all relevant directors, respectively, depending on each case.

Confidentiality

The Company recognizes that some individuals who observe a breach and wish to report it will seek to do so in confidence under this policy. In principle, the Company will handle all reports confidentially and equally expects employees reporting a breach keeping this confidential. Confidentiality will always be maintained to the largest extent possible. Therefore, the Company will protect the identity of an employee who discloses a breach according to this policy.

The Company does, however, acknowledge that in some circumstances the investigation process may reach a point where the employee who reported the breach is required to make a statement or provide evidence. In such circumstances, where finding the truth would be hindered by maintaining complete confidentiality, the Company cannot guarantee complete confidentiality to the reporting employee. The Company will maintain confidentiality as much as possible in such situations. Finally, the Company will not disclose employees' identities without his/her knowledge and consent.

Protection of whistleblower

In order to protect the rights of whistleblowers, the Company will not reveal the name, address, picture or other information of the whistleblower or those who participated in the investigation. No whistleblower who in good faith reports a violation of the code of conduct or files a complaint or expresses concern involving matters covered by the whistleblowing policy shall suffer harassment, retaliation or adverse employment consequences as a result of such a report. Persons affected by the damage will be relieved with procedures that are appropriate and fair. An employee who retaliates against someone who has reported a violation, complaint or concern in good faith is subject to disciplinary action up to and including termination of employment.

The Complaint handling procedure and guidelines to protect whistleblowers have been presented in the **"Business Ethics and Code of Conduct"** which is informed to all employees and posted on the Company's website.

To prevent all forms of corruption from occurring, a risk assessment was conducted to identify potential corruption risks. The Company communicated with its employees and business partners about the Company's business ethics and code of conduct and practice to raise awareness and encourage the prevention of corruption.

Penalties for offenses

Penalties for offenses shall be in accordance with the Company regulations and/or applicable laws.

Monitoring the implementation of anti-corruption measures

The Board of Directors has assigned the Audit and Corporate Governance Committee to monitor actions concerning anti-corruption measures. The Company secretary, as this committee's secretary, gathers such outcomes to annually report to the committee and the Board of Directors and summarized for the shareholders in the annual report of violation.

In 2024, the Company did not engage in any significant dispute with any stakeholders. There were zero whistleblowing incidents and zero violations of our ethical principles.

AUDIT AND CORPORATE GOVERNANCE COMMITTEE'S REPORT

TO THE SHAREHOLDERS

The Audit and Corporate Governance Committee of Precious Shipping Public Company Limited comprises three independent directors. Mr. Kamtorn Sila-On is the Chairman of the committee which also includes Professor Dr. Pavidan Pananond and Ms. Pensri Suteerasarn.

The Audit and Corporate Governance Committee has performed its duties and responsibilities with prudence, transparency, independence, and adhering to the Audit and Corporate Governance Committee charter ("Charter") approved by the Board of Directors, as well as meeting the requirements of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), which are summarized as follows:

Review of financial reports

In the year 2024, meetings of the Audit and Corporate Governance Committee were held throughout the year to review the consolidated financial statements of the Company and its subsidiaries. Meetings with the external auditor were also held every quarter for discussions of the auditor's report, financial statements, and recommendations of the relevant accounting standards.

The Audit and Corporate Governance Committee is of the opinion that the Company has a proper financial reporting process to disclose its financial information, in which the financial statements are correct, sufficient, and credible.

Internal audit and internal control systems

The Audit and Corporate Governance Committee has considered the independence of the internal audit department, including the chain of command, to ensure the credibility and independence of the internal audit department. The committee has engaged in discussions with internal auditors regarding the scope of internal auditing, their responsibilities, and functions. The committee has approved the internal audit plan for the internal audit department. In the year 2024, the internal audit department reviewed:

- the risk assessment covering commercial, financial, technical, and operational risks;
- the self-evaluation tool for countering bribery following the guidelines published by the Private Sector Collective Action Coalition Against Corruption (CAC);
- the corruption risk assessment;
- internal control activities of all departments;
- the operations of some departments;
- conflict of interest transactions; and
- compliance with regulations and laws relating to the business of the Company, such as Public Limited Companies Act, Revenue Code, Thai Vessels Act, Securities and Exchange Act, including regulations and notifications of the SET and the SEC.

Internal auditors also followed up on the results of the aforesaid review. The results of the review and the recommendations were discussed with the relevant staff and management and reported to the Audit and Corporate Governance Committee.

The Audit and Corporate Governance Committee is of the opinion that the Company has proper and adequate internal control systems and there are no significant deficiencies.

Compliance with laws and regulations

The Audit and Corporate Governance Committee is of the opinion that the Company has been in compliance with laws and regulations to which the operations of the Company are subject. Principally, these laws are the Public Limited Companies Act, Revenue Code, Thai Vessels Act, Securities and Exchange Act including regulations and notifications of the SET and the SEC.

Review of connected transactions

The Audit and Corporate Governance Committee recognizes the importance of reviewing connected transactions as well as those transactions potentially involving conflicts of interest, in accordance with the laws and regulations of the SET and the SEC, and any applicable laws, including compliance with the internal

policies and guidelines set up by the Company. Adequate disclosures have also been provided in the financial statements and in the section on **“Connected transactions”** in this annual report.

Internal auditors and external auditors have reviewed the connected transactions and reported the results of their review to the Audit and Corporate Governance Committee. Subsequently, the committee discussed and reviewed these transactions during their meeting no. 1/2025 held on 7 February 2025. The result of the review for the year 2024 was further deliberated in the Board of Directors meeting no. 1/2025 held on 10 February 2025.

The Audit and Corporate Governance Committee and the Board of Directors are of the opinion that the transactions were entered into solely based on the market prices, are fair, and are in the best interest of the Company.

Review of the asset acquisition and disposal

During the year 2024, internal auditors reviewed the asset acquisition and disposal transactions of the Company's subsidiaries, according to the Notification of the Stock Exchange of Thailand (SET) regarding the Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets 2004 as amended from time to time including Notification of the Capital Market Supervisory Board No. Tor Chor.20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets as amended from time to time.

The Audit and Corporate Governance Committee and the Board of Directors are of the opinion that the asset acquisition and disposal transactions of the Company's subsidiaries were reasonable and for the best benefit of the Company.

Review of the Company's corporate governance

The Audit and Corporate Governance Committee reviews and compares guidelines for the Company's corporate governance with best practices followed by international organizations and presents its recommendations to the Board of Directors. The Audit and Corporate Governance Committee also conducts an annual review of corporate governance self-assessment through a questionnaire following the SET and the Thai Institute of Directors (IOD) guidelines. The scores of corporate governance self-assessment fall in the level of “Very Good”.

For the year 2024, the Company has been classified by the IOD in conjunction with the SET and the SEC as a company with an “Excellent 5 stars” rating in corporate governance, based on the Corporate Governance Committee Report (CGR). Additionally, the Company received an ‘AA’ rating level and was among 228 listed companies receiving the SET ESG ratings announcement, which among other things, is a recognition that the Company manages its business with transparency, in line with good corporate governance principles.

Meetings of the Audit and Corporate Governance Committee

Normally, each Audit and Corporate Governance Committee meeting is held before a Board of Directors' meeting, so that discussions with internal auditors and external auditors can be carried out without management's presence in such discussions and the minutes of the Audit and Corporate Governance Committee can also be sent to the Board of Directors for acknowledgment, discussions and receiving suggestions from the board.

The members of the Audit and Corporate Governance Committee regularly have formal and informal discussions with internal auditors in connection with the results of the various areas of review undertaken by internal auditors. In 2024, the Audit and Corporate Governance Committee held four meetings (compared to four meetings in 2023). The attendance records of the committee members are summarized as follows:

Name	Number of attendance/total meeting (times)	
	2024	2023
1. Mr. Kamtorn Sila-On	4/4	4/4
2. Professor Dr. Pavida Pananond	4/4	4/4
3. Ms. Pensri Suteerasarn	4/4	4/4

Selection and proposal for appointment of the Company's external auditors

The Audit and Corporate Governance Committee meeting no.1/2025 held on 7 February 2025 considered the appointment of auditors and resolved to propose for shareholders' approval, the appointment of any one of the following auditors of EY Office Limited as the auditor of the Company for the year 2025.

1. Mr. Vorapoj Amnauypanit (Certified Public Accountant (Thailand) No. 4640)
2. Mr. Termphong Opanaphan (Certified Public Accountant (Thailand) No. 4501)
3. Mrs. Poonnard Paocharoen (Certified Public Accountant (Thailand) No.5238)

All the above auditors are qualified to conduct the audit and express an opinion on the financial statements of the Company. None of the above auditors has any relationship with or is an interested party in the Company and its subsidiaries, management, major shareholders or related persons of such persons. In the event that any of the above auditors is not available, EY Office Limited is authorized to nominate a qualified and competent auditor from EY Office Limited to conduct the audit.

The Audit and Corporate Governance Committee is of the opinion that EY Office Limited is a reputable independent audit firm and has shown satisfactory performance according to past records. EY Office Limited has been the auditor of the Company and Thai subsidiaries since 2001.

The meeting also approved to propose for shareholders' approval, details of the audit fees and fees for other services (non-audit related) of the Company and subsidiaries for the year 2025 charged by EY Office Limited are as follows:

Details	Proposed for 2025	2024
Audit fees for the Company	Baht 2.19 million	Baht 2.17 million
Audit fees for Thai subsidiaries and 1 foreign subsidiary	Baht 2.18 million	Baht 2.21 million
Fees for other services:		
• Fee for certification purposes by BOI	Baht 0.10 million	Baht 0.07 million
• Fees for reviewing the accounts of certain foreign subsidiaries (for consolidation purposes)	Baht 1.28 million	Baht 1.25 million
Total	Baht 5.75 million	Baht 5.70 million

The Audit and Corporate Governance Committee self-assessment

The Audit and Corporate Governance Committee conducted a self-assessment for 2024 as per IOD guidelines, the score of which fell within the "Excellent" level. The Audit and Corporate Governance Committee intends to use this result as an indicator to further improve its performance.

Concluding remark: Throughout 2024, the Audit and Corporate Governance Committee received full cooperation from all the directors, management team, and employees of the Company, as well as from the external auditors, to fulfill its roles and responsibilities as assigned by the Board of Directors and in compliance with its charter and the relevant laws and regulations.

The Audit and Corporate Governance Committee is of the opinion that the Company's financial statements of 2024 and the disclosure of information therein are complete, reliable, and consistent with generally accepted accounting principles and financial reporting standards. The Company maintains adequate risk management, appropriate internal audit and internal control systems. The Company adheres to its internal policies, practices good corporate governance, and complies with relevant laws and regulations.

**For and on behalf of the Audit and Corporate Governance Committee of
Precious Shipping Public Company Limited**



Mr. Kamtorn Sila-On

Chairman of the Audit and Corporate Governance Committee

10 February 2025

THE EXECUTIVE BOARD OF DIRECTORS' REPORT

TO THE SHAREHOLDERS

In 2024, the Executive Board of Directors of Precious Shipping Public Company Limited, comprised of three members appointed by the Board of Directors: Mr. Khalid Moinuddin Hashim as the Managing Director, Mr. Gautam Khurana as the Director (Finance) and Mr. Chandrasekhar Sivaraman Venkatraman as the Director (Technical).

The Executive Board of Directors held thirteen meetings during the year 2024 with 100% attendance. The Executive Board of Directors has put in its best efforts with due care, prudence, independence and thoroughness in compliance with its mandate to perform its role as assigned by the Board of Directors, which is summarized as follows:

The Executive Board of Directors has monitored and reviewed strategic objectives, financial plans and key policies of the Company which were submitted to the Board of Directors for approval. The Executive Board of Directors has managed the Company's business and has also reported on the Company's operating results as well as on other work in progress to achieve the Company's objectives.

The Executive Board of Directors conducted a self-assessment for 2024 as per the Stock Exchange of Thailand (SET) guidelines, the score of which fell within the "Excellent" level. The Executive Board of Directors intends to use this result as an indicator to further improve its performance.

**For and on behalf of the Executive Board of Directors of
Precious Shipping Public Company Limited**



Mr. Khalid Moinuddin Hashim
Managing Director



Mr. Gautam Khurana
Director (Finance)

10 February 2025

SUSTAINABILITY AND RISK MANAGEMENT COMMITTEE'S REPORT

TO THE SHAREHOLDERS

The Sustainability and Risk Management Committee of Precious Shipping Public Company Limited comprises four independent directors and the Managing Director. Professor Dr. Pavida Pananond, an independent director, serves as the Chairperson of the committee, with Mr. Kamtorn Sila-On, Ms. Pensri Suteerasarn, Ms. Qiyu (Jackie) Wang, and Mr. Khalid Moinuddin Hashim as committee members.

In 2024, the Sustainability and Risk Management Committee held four meetings, each with 100% attendance. The Sustainability and Risk Management Committee put in its best efforts with due care, prudence, and thoroughness in compliance with its mandate to perform its roles as assigned by the Board of Directors, which is summarized as follows:

- The committee reviewed the sustainability policy and strategy to ensure that the Company is moving in the right direction to achieve sustainable and resilient operations.
- The committee monitored the Company's performance and sustainable development activities to drive the Company's operations to deliver tangible results under the Company's sustainability strategy. In addition, they reviewed the Company's preparedness to respond to global sustainability trends while maintaining the Company's competitiveness.
- The committee reviewed the risk management policy and oversaw the risk management process to ensure that the risk mitigation strategies in place are adequate to support the Company's operating strategies and are appropriate for the current situation.
- The committee monitored core business activities and the shipping industry on a regular basis to identify risk factors including business risks, financial risks, operational risks, cybersecurity risks, and ESG risks that could affect the Company's operations.
- The committee evaluated the potential impact on the Company as well as the mitigation measures that are in place, to minimize the likelihood and impact of an adverse event. Measures that are put in place as well as adverse events, if any, are reported to the Board of Directors.
- The committee conducted a self-assessment for 2024 as per the Thai Institute of Directors Association (IOD) guidelines, the score of which fell within the "Excellent" category. The committee intends to use these results to further improve its performance.

The Sustainability and Risk Management Committee strives to perform its duties by developing a comprehensive corporate risk management system to enhance the efficiency and effectiveness of the Company's operations.

**For and on behalf of the Sustainability and Risk Management Committee of
Precious Shipping Public Company Limited**



Professor Dr. Pavida Pananond

Chairperson of the Sustainability and Risk Management Committee

10 February 2025

NOMINATION AND REMUNERATION COMMITTEE'S REPORT

TO THE SHAREHOLDERS

The Nomination and Remuneration Committee of Precious Shipping Public Company Limited comprises two independent directors and one non-executive director. Ms. Pensri Suteerasarn, an independent director, serves as the Chairperson of the Nomination and Remuneration Committee, with Ms. Qiyu (Jackie) Wang and Mr. Kirit Shah as committee members.

In 2024, the Nomination and Remuneration Committee held two meetings with 100% attendance. The Nomination and Remuneration Committee dedicated itself to performing its duties with due care, prudence, independence, and thoroughness. This was in compliance with its mandate to perform the roles assigned by the board. The key activities of the committee are summarized as follows:

- The committee is responsible for selecting and proposing candidates for director positions, either to succeed rotating directors or to fill vacant positions (as the case may be). This involves a rigorous selection process, considering the board skills matrix which highlights qualifications and diversity in terms of knowledge, competencies, experience, and education. This ensures that the board composition aligns effectively with the Company's business strategies. Recommendations are then provided to the board for subsequent endorsement at the shareholders' meeting for approval. In 2024, the Nomination and Remuneration Committee recommended the re-election of four directors viz. Ms. Nishita Shah, Mr. Kirit Shah, Mr. Chaipatr Srivisarvacha, and Professor Dr. Pavida Pananond, who retired by rotation at the Annual General Meeting of the Shareholders No. 1/2024, held on 5 April 2024 (the "AGM").
- The committee supervised the development of an effective succession plan to ensure the availability and readiness of successors for critical roles, contributing to smooth business operations.
- The committee reviews director remunerations to ensure that they align with their responsibilities and performance, benchmarked against industry standards. Recommendations are then provided to the board for subsequent endorsement at the shareholders' meeting for approval. In 2024, the Nomination and Remuneration Committee made a recommendation on director remuneration to the board for approval at the AGM.

The Nomination and Remuneration Committee conducted a self-assessment for 2024 as per the Thai Institute of Directors Association (IOD) guidelines, the score of which fell within the "Excellent" level. The Nomination and Remuneration Committee intends to use this result as an indicator for further enhancing performance.

For and on behalf of the Nomination and Remuneration Committee of

Precious Shipping Public Company Limited



Ms. Pensri Suteerasarn

Chairperson of the Nomination and Remuneration Committee

10 February 2025

INTERNAL CONTROLS

Precious Shipping Public Company Limited recognizes the importance of internal control systems on an operational level to ensure that the operations are conducted efficiently within risk parameters acceptable to the Company and prevailing business circumstances for the activities of each of the individual departments. To ensure suitable control measures in keeping with prevailing circumstances, environment, and risks, the internal audit department regularly monitors the internal controls in place and the internal control practices. The Company has implemented internal control systems in accordance with the recommendations of the Committee of Sponsoring Organizations of the Treadway Commission 2013 (COSO 2013) to achieve all three objectives of internal control: efficient and effective operations, credible financial and other reports, and compliance with laws and regulations, consisting of five key components as follows:

1. CONTROL ENVIRONMENT

The Company has set up a proper control environment and has accordingly put in place a corporate governance policy, a business ethics manual, an anti-corruption policy, a risk management policy, and an information management system security policy. These are recognized by the staff of the Company as the basis of working. In addition, the Company has aligned the organizational structure in congruence with the Company's goals and business direction, including a clear definition of functions, roles/responsibilities, and reporting lines for each business division.

The Company has a three-tiered internal control system to ensure effective risk management. The first line of defense encompasses operational management, which manages risks and implements controls. The second line of defense comprises risk management and compliance functions, which oversee risk policies and provide guidance on effective risk mitigation. The third line is the internal audit department, an independent assurance function that evaluates the effectiveness of the first two lines of defense. The Company recognizes that a controlled environment increases the productivity and efficacy of work carried out by the staff of the Company.

2. RISK ASSESSMENT

The Company recognizes the importance of risk assessment as a tool to provide an early warning of a danger that could result in loss and therefore, the Company annually assesses prominent risks by dividing them into two categories 1) Organization level that is managed by management and published in the section **"Risk Management"** of this annual report 2) Activities level for which both, the internal audit department as an independent entity and each specific department (having sound knowledge and skills required for operations), are responsible. Such assessments bring out the risks that affect the Company's operations which are then required to be managed through a set-up of correct and appropriate control systems. The results of risk assessment for various activities are reported periodically to the management, the Sustainability and Risk Management Committee and the Board of Directors for review and action.

3. CONTROL ACTIVITIES

The risk assessment process also involves an assessment of control activities. The objective of the assessment is to ensure that the Company has good control systems and conforms to the related risks to decrease/distribute all risks of the Company to ensure the sustainability of operations. In terms of the Company's functional management, the Managing Director delegates authority to the Company's functional management, resulting in practical and easily tracked courses of action. All departments have to verify, control and supervise their functional responsibilities to ensure strict compliance with laws and regulations.

4. INFORMATION AND COMMUNICATION

The Company recognizes the importance of maintaining reliable information and communication systems. To ensure this, the Company invests in the continuous development of its IT and communication systems both ashore as well as on-board vessels. This ensures the availability of accurate and timely data for decision-making purposes. The Company uses encrypted software for internal communications. The Company is certified under ISO/IEC 27001:2013 for information security management system. Important external communications are disseminated through the SET, the Company's website and the Company's social media channels. In addition, the Company's top management is very prompt in answering any queries which may be raised by investors or other stakeholders.

5. MONITORING AND EVALUATION

Performance monitoring and evaluation of employees is as follows:

Level	Evaluation by	Frequency of evaluation
Staff	Head of department / Line manager	At least once a year
Head of department	Management	At least once a year
Management	Board of Directors	At least once a year

The results of the evaluation exercise are taken into consideration while determining the Company's future strategy. In addition, the internal audit department monitors and assesses internal control procedures and outcomes and reports its findings to the Audit and Corporate Governance Committee. The findings of the internal control assessment for 2024 have been provided in the **"Audit and Corporate Governance Committee Report"** section of the annual report.

The Board of Directors opinion of the Company's internal control system

At the Board of Directors' meeting no.1/2025 on 10 February 2025, which the Audit and Corporate Governance Committee also attended, the board agreed with the Audit and Corporate Governance Committee's opinion about internal control evaluation results. It was concluded that the Company and its subsidiaries have proper internal control systems and have effectively adapted control measures to correspond with changing situations.

Moreover, the results of the year 2024 audit of the Company by EY Office Limited, the independent and external auditors, did not identify any significant audit findings, including any significant deficiencies in internal controls relevant to the audit.

Head of internal audit and head of legal and compliance

The Company established an internal audit department in order to ensure that key operations and financial activities are conducted in compliance with Company guidelines and statutory laws. Internal auditors report directly to the Audit and Corporate Governance Committee on all matters in order to make the internal audit department completely independent of management. The Audit and Corporate Governance Committee has the authority to approve the appointment, transfer and dismiss the head of internal audit. A detailed profile of the head of internal audit, Ms. Panida Satjadeachachai, is provided in Enclosure 1 **"Information on relevant persons in the organisation"** of this annual report.

The Company also established the legal and compliance department to review and evaluate compliance issues/concerns within the organization to mitigate legal risk and to ensure that the Board of Directors, management and employees are in compliance with the rules and regulations of regulatory agencies, that company policies and procedures are being followed and that behavior in the organization is in line with the Company's code of conduct. A detailed profile of the head of legal and compliance department, Ms. Sirasa Supawasin, is provided in Enclosure 1 **"Information on relevant persons in the organisation"** of this annual report.

CONNECTED TRANSACTIONS

The Company and its subsidiaries have entered into certain transactions with connected persons. All of these transactions are made in the ordinary course of business and with arm's length terms.

Internal auditors have reviewed the connected transactions according to the Notifications of the Stock Exchange of Thailand Re: The Disclosure of Information and Acts of Listed Companies Concerning Connected Transactions 2003, as amended from time to time and the Notification of the Capital Market Supervisory Board No. Tor Chor. 21/2551 Re: Rules on Connected Transactions as amended from time to time, including the circular of the SEC about the recommended practice to be followed under section 89/12 (1) of the Securities and Exchange Act (No.4) B.E.2551.

The summary of related party transactions entered into by the Company and/or its subsidiaries with related parties are as follows:

Connected party	Relationship	Type of transaction	Amount (Million Baht)		
			2022	2023	2024
Unistretch Limited	<ul style="list-style-type: none"> Mr. Ishaan Shah, a director of the Company, is a director and shareholder of Unistretch Limited. Mr. Kirit Shah, a director of the Company, is a director of Unistretch Limited. Mr. Ishaan Shah and Ms. Nishita Shah, directors of the Company, are shareholders of Globex Corporation Limited, which is a major shareholder of Unistretch Limited. Total direct/indirect shareholding (%) in Unistretch Limited of Ms. Nishita Shah and Mr. Ishaan Shah as of 31 December 2024: 67.44% of total paid-up shares. 	Office lease	2.83	2.54	2.42
		Property management services	0.30	0.30	0.30
Maestro Controls Limited	<ul style="list-style-type: none"> Mr. Ishaan Shah, a director of the Company, is a director and shareholder of Maestro Controls Limited. Mr. Kirit Shah, a director of the Company, is a director of Maestro Controls Limited. Total direct/indirect shareholding (%) in Maestro Controls Limited of Mr. Ishaan Shah as of 31 December 2024: 99.85% of total paid-up shares. 	Maintenance of the air conditioning systems	0.23	0.27	0.50
		Supply of air conditioners and air purifiers	1.96	0.28	1.24
Maxwin Builders Limited	<ul style="list-style-type: none"> Mr. Ishaan Shah, a director of the Company, is a director and shareholder of Maxwin Builders Limited. Mr. Khushroo Kali Wadia and Mr. Kirit Shah, directors of the Company, are directors of Maxwin Builders Limited. Mr. Ishaan Shah and Ms. Nishita Shah, directors of the Company, are shareholders of Globex Corporation Limited, which is a major shareholder of Maxwin Builders Limited. Total direct/indirect shareholding (%) in Maxwin Builders Limited of Ms. Nishita Shah and Mr. Ishaan Shah as of 31 December 2024: 85.31% of total paid-up shares. 	Hotel and management services	4.50	0.59	0.93

Connected party	Relationship	Type of transaction	Amount (Million Baht)		
			2022	2023	2024
InsurExcellence Insurance Brokers Limited and InsurExcellence Life Insurance Brokers Limited	<ul style="list-style-type: none">Mr. Ishaan Shah, a director of the Company, is a director of InsurExcellence Insurance Brokers Limited and InsurExcellence Life Insurance Brokers Limited.Ms. Sameera Shah, who is a director and shareholder of InsurExcellence Insurance Brokers Limited and InsurExcellence Life Insurance Brokers Limited, is the daughter of Mr. Kirit Shah and is a blood sister of Ms. Nishita Shah and Mr. Ishaan Shah, who are directors of the Company.Total direct/indirect shareholding (%) in InsurExcellence Insurance Brokers Limited of Ms. Sameera Shah as of 31 December 2024: 48.66% of total paid-up shares.Total direct/indirect shareholding (%) in InsurExcellence Life Insurance Brokers Limited of Ms. Sameera Shah as of 31 December 2024: 48.66% of total paid-up shares.	Insurances	2.78	2.56	3.31
RZHA GmbH	<ul style="list-style-type: none">Mr. Khalid Moinuddin Hashim, the Managing Director of the Company and a shareholder of the Company, is the father of Mr. Rizwan Hashim who is a director and shareholder of RZHA GmbH.	Consultancy services for ship chartering	3.73	5.98	10.14
Christiani & Nielsen Energy Solutions Company Limited	<ul style="list-style-type: none">Mr. Ishaan Shah, a director of the Company, is a director and shareholder of Christiani & Nielsen Energy Solutions Company Limited.Mr. Khushroo Kali Wadia and Mr. Kirit Shah, directors of the Company, are directors of Christiani & Nielsen Energy Solutions Company Limited.Mr. Khushroo Kali Wadia, Mr. Kirit Shah, and Mr. Ishaan Shah, directors of the Company, are directors of Christiani & Nielsen (Thai) Public Company Limited, the parent company (shareholding 98.64%) of Christiani & Nielsen Energy Solutions Company Limited.Ms. Nishita Shah and Mr. Ishaan Shah, directors of the Company, are shareholders of Globex Corporation Limited, which is a major shareholder of Christiani & Nielsen (Thai) Public Company Limited.	Purchase of solar panels for ships	0.06	-	0.09
TamGP Co.,Ltd.	<ul style="list-style-type: none">Mr. Ishaan Shah, a director of the Company, is a director and shareholder of TamGP Co.,Ltd.Mr. Ishaan Shah, a director of the Company, is a director and shareholder of Unistretch Limited, which is a major shareholder of TamGP Co.,Ltd.Mr. Ishaan Shah and Ms. Nishita Shah, directors of the Company, are shareholders of Globex Corporation Limited, which is a major shareholder of Unistretch Limited.Total direct/indirect shareholding (%) in TamGP Co.,Ltd. of Mr. Ishaan Shah and Ms. Nishita Shah as of 31 December 2024: 33.72% of total paid-up shares.	Purchase of air tickets	-	-	0.06
Mega Lifesciences Nigeria Limited	<ul style="list-style-type: none">Mr. Ishaan Shah and Mr. Kirit Shah, directors of the Company, are directors of Mega Lifesciences Public Company Limited, the parent company (shareholding 99.99%) of Mega Lifesciences Nigeria Ltd., Nigeria.Mr. Ishaan Shah, a director of the Company, is a shareholder of Mega Lifesciences Public Company Limited.	Service fee for handling all local payments to vendors in Lagos, Nigeria	0.64	-	-
		Accommodation, provision, and miscellaneous expenses for crews in Lagos, Nigeria	6.00	-	-
	Note: The Company is unlikely to engage in similar transactions with this provider in the future.				

Connected party	Relationship	Type of transaction	Amount (Million Baht)		
			2022	2023	2024
Great Circle Shipping Agency Limited ("Subsidiary"), a wholly owned Thai subsidiary of the Company	<ul style="list-style-type: none"> Mr. Khalid Moinuddin Hashim, Managing Director and director of the Company, and director of the subsidiary. Mr. Khalid Moinuddin Hashim currently holds 121,526,275 shares (7.79%) in the Company and 2 shares (0.001%) in the subsidiary; and Mr. Munir Moinuddin Hashim is the brother of Mr. Khalid Moinuddin Hashim. Mr. Khalid Moinuddin Hashim and Mr. Munir Moinuddin Hashim are the sellers under this transaction. <p>Note: A transaction of this nature is unlikely to recur in the future.</p>	Purchase of one condominium unit at Prestige Towers Condominium located at 168/21, Tower A, Soi Sukhumvit 23, Klongtoey Nue Sub-district, Wattana District, Bangkok for foreign employees	7.50	-	-

The rationale of the related party transactions

The related party transactions were necessary and justified to provide the maximum benefits for the Company. These transactions were the supporting transactions for the normal business operations of the Company.

Procedures for approval of related party transactions

All transactions between the Company and related parties are conducted on the same terms and conditions as those with the third parties. A related person who has a conflict of interest in a particular transaction is not entitled to vote for approval of such a transaction. In addition, the Company discloses information of a related party transaction in a transparent manner and in accordance with good governance principles.

Policy in respect of future transactions with connected parties

The Company has always and will continue to conduct transactions with connected parties very carefully, with a view to maintaining full compliance with the relevant rules and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission, and any applicable laws, apart from compliance with the internal policies and guidelines set up by the Company. Moreover, such transactions are entered into strictly on an "Arm's Length" basis. The terms and conditions of such transactions are always in compliance with generally acceptable, standard commercial terms and conditions.

Opinions of the Audit and Corporate Governance Committee and the Board of Directors on the connected transactions

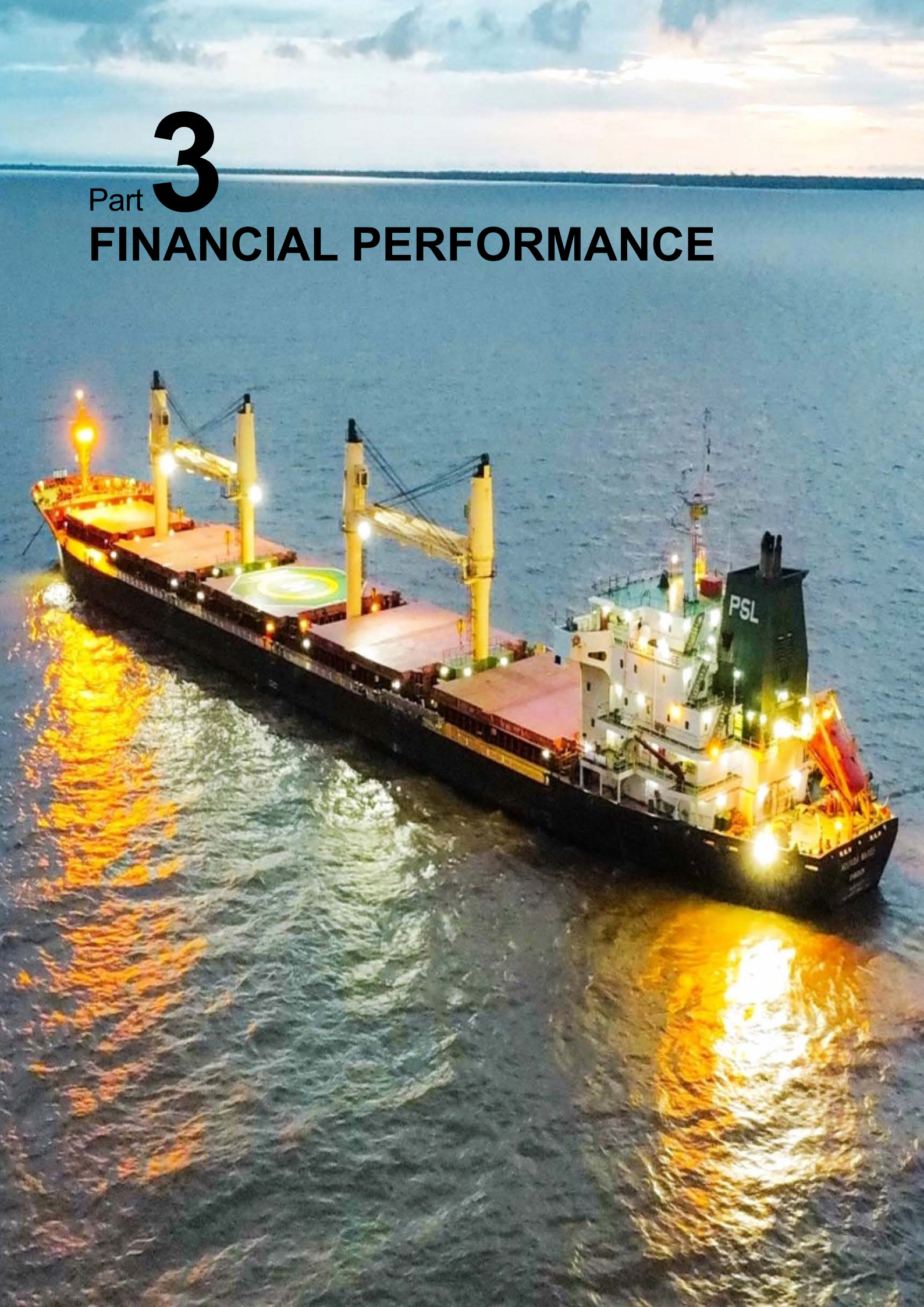
Directors and executives disclose their and their relatives' shareholdings, directorships and other interests in other companies and firms, and report their conflict of interest if any, to the Company for the Company's use in complying with the regulations pertaining to connected party transactions. Such a report disclosing all their interests is also useful in monitoring their adherence to their duties regarding conflict of interest transactions. The internal auditors have reviewed the above connected transactions and reported the results of their review to the Audit and Corporate Governance Committee who in turn have discussed and reviewed the transactions in their Audit and Corporate Governance Committee meeting No. 1/2025 held on 7 February 2025. The Audit and Corporate Governance Committee is of the opinion that the aforesaid transactions are fair and reasonable and for the full benefit of the Company.

The Board of Directors meeting No. 1/2025 held on 10 February 2025, the board reviewed the transactions and based on the findings and report of the Audit and Corporate Governance Committee, the board is of the opinion that the Company has adequate rules, regulations and policies for prevention of conflicted transactions and that the above interested party transactions are entered solely based on the market prices, reasonable and for the full benefit of the Company. Adequate disclosures have also been made in the financial statements.

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Part

FINANCIAL PERFORMANCE



REPORT ON THE BOARD OF DIRECTORS' RESPONSIBILITIES FOR FINANCIAL STATEMENTS

The Board of Directors is responsible for the Company's financial statements and financial information presented in this Annual Report. The aforementioned financial statements have been prepared in accordance with Thai Financial Reporting Standards, using appropriate accounting policies consistently employed by the Company after applying prudent judgment and best estimation. Important information is adequately disclosed in the notes to the financial statements.

The Board of Directors has provided for and maintained efficient internal control systems to ensure that accounting records are accurate, complete and adequate to protect the Company's assets and uncover weaknesses in order to prevent fraud or materially irregular operations.

To accomplish this task, the Board of Directors has appointed an Audit & Corporate Governance Committee, which consists fully of Independent Directors and the Committee is, inter alia responsible for the quality of financial statements and internal control systems, with the Committee's comments on these issues included in the Audit & Corporate Governance Committee Report in this Annual Report.

The Board of Directors is of the opinion that the Company's overall internal control system has functioned up to a satisfactory level to render credibility and reliability to the Company's financial statements for the year ended December 31st, 2024.

For and on behalf of the Board of Directors of
Precious Shipping Public Company Limited



Mr. Chaipatr Srivisarvacha
Chairman of the Board of Directors



Mr. Khalid Moinuddin Hashim
Managing Director

10 February 2025

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Precious Shipping Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Precious Shipping Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2024, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, and have also audited the separate financial statements of Precious Shipping Public Company Limited for the same period (collectively "the financial statement").

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Precious Shipping Public Company Limited and its subsidiaries and of Precious Shipping Public Company Limited as at 31 December 2024, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are described below.

Recognition of vessel operating income

Vessel operating income represents a significant portion of the financial statements, accounting for approximately 95% of total revenues. The Group generates vessel operating income from vessels chartering with a large number of customers. Vessel operating income consists of Time charter and Voyage charter, both of which are recognised over time. There are therefore risks with respect to the amount and timing of revenue recognition near the end of the accounting period.

I have examined the vessel operating income recognition of the Group by:

- Assessing and testing the Group's internal controls with respect to the recording the vessel operating income by making enquiries of responsible executives, gaining an understanding of the control processes, performing walkthroughs and testing the operation of the designed controls with special consideration given to expanding the scope of testing the controls related to the amount and timing of revenue recognition.
- Examining, on a sampling basis, supporting documentation for revenue recognition transactions occurring during the year and near the end of the accounting period.
- Reviewing credit notes issued by the Group after the period-end.
- Performing analytical procedures on disaggregated data to detect possible irregularities in revenue transactions throughout the period and determine whether they are misstatements.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

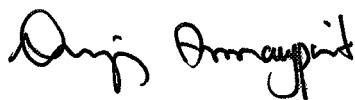
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.



Vorapoj Amnauypanit

Certified Public Accountant (Thailand) No. 4640

EY Office Limited

Bangkok: 10 February 2025

STATEMENT OF FINANCIAL POSITION

Precious Shipping Public Company Limited and its subsidiaries
As at 31 December 2024

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2024	2023	2024	2023
Assets					
Current assets					
Cash and cash equivalents	6	2,165,987,809	2,314,984,719	1,469,219,640	1,050,094,871
Trade and other receivables	7, 8	404,781,264	295,394,486	3,892,712,302	2,373,078,526
Short-term loans to a subsidiary	8	-	-	-	23,000,000
Bunker oil		14,617,396	30,141,521	-	-
Other current financial assets	10, 33	89,039,923	95,110,384	-	-
Other current assets					
Advances to vessel masters		33,149,277	35,762,134	-	-
Claim recoverables		1,038,552	-	-	-
Lube oil stock on board		69,124,315	84,761,164	-	-
Others		40,439,926	34,252,853	17,845,608	12,341,505
Total other current assets		143,752,070	154,776,151	17,845,608	12,341,505
Total current assets		2,818,178,462	2,890,407,261	5,379,777,550	3,458,514,902
Non-current assets					
Restricted bank deposits	9	-	102,960,837	-	-
Long-term loans to a subsidiary	8	-	-	674,806,807	777,498,777
Derivative assets	33, 34	92,670,252	125,921,407	-	-
Other non-current financial assets	10, 33	298,314,585	76,769,537	22,343,126	21,175,253
Investments in subsidiaries	11	-	-	7,804,482,310	7,621,280,906
Investment in associate held by a subsidiary	12	80,593,252	81,747,003	-	-
Property, plant and equipment	13	22,328,224,199	20,835,595,355	14,857,997	7,406,500
Right-of-use assets	19	20,822,290	9,456,886	12,852,152	9,124,707
Intangible assets	15	3,059,773	4,110,568	2,573,209	3,908,383
Other non-current assets					
Claim recoverables - maritime claims		42,586,669	59,914,320	-	-
Advances for vessel constructions	14	348,688,664	-	348,688,664	-
Deferred contract costs	16	89,324,756	108,935,971	-	-
Deferred financial fees		82,459,339	46,952,561	75,818,104	37,264,230
Others		3,355,373	3,047,351	2,548,078	2,394,186
Total other non-current assets		566,414,801	218,850,203	427,054,846	39,658,416
Total non-current assets		23,390,099,152	21,455,411,796	8,958,970,447	8,480,052,942
Total assets		26,208,277,614	24,345,819,057	14,338,747,997	11,938,567,844

The accompanying notes are an integral part of the financial statements.

STATEMENT OF FINANCIAL POSITION (CONTINUED)

Precious Shipping Public Company Limited and its subsidiaries
As at 31 December 2024

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2024	2023	2024	2023
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables					
Trade and other payables		340,370,873	62,278,105	211,996,836	1,789,518
Advances received from related parties	8	-	-	1,907,817,853	1,342,582,396
Accrued crew accounts		15,410,231	97,825,564	-	-
Accrued expenses		96,524,276	73,831,159	15,553,611	1,061,069
Current portion of accrued employee benefits		156,152,695	169,261,020	108,650,300	118,630,209
Total trade and other payables		608,458,075	403,195,848	2,244,018,600	1,464,063,192
Advances received from charterers		21,934,742	44,046,078	-	-
Current portion of long-term loans	17	1,395,023,884	1,783,362,689	-	-
Current portion of lease liabilities	19	4,453,971	4,421,980	2,995,217	4,100,916
Derivative liabilities	34	-	19,514,126	-	-
Income tax payable		1,033,618	2,217,005	-	-
Other current liabilities		22,948,449	21,748,806	17,013,234	15,440,192
Total current liabilities		2,053,852,739	2,278,506,532	2,264,027,051	1,483,604,300
Non-current liabilities					
Accrued employee benefits - net of current portion		49,151,622	95,673,939	34,114,147	67,374,261
Long-term loans - net of current portion	17	5,721,704,892	5,542,998,761	-	-
Debentures	18	1,342,664,787	-	1,342,664,787	-
Lease liabilities - net of current portion	19	16,450,226	4,936,837	9,700,293	4,936,837
Deferred tax liabilities	26	1,700,671	1,801,784	-	-
Provision for maritime claims	20	15,961,636	42,037,472	-	-
Provision for long-term employee benefits	21	143,258,005	134,113,787	105,695,152	99,878,210
Total non-current liabilities		7,290,891,839	5,821,562,580	1,492,174,379	172,189,308
Total liabilities		9,344,744,578	8,100,069,112	3,756,201,430	1,655,793,608

The accompanying notes are an integral part of the financial statements.

STATEMENT OF FINANCIAL POSITION (CONTINUED)

Precious Shipping Public Company Limited and its subsidiaries
As at 31 December 2024

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Shareholders' equity					
Share capital					
Registered share capital					
1,559,291,862 ordinary shares of Baht 1 each		1,559,291,862	1,559,291,862	1,559,291,862	1,559,291,862
Issued and paid-up share capital					
1,559,291,862 ordinary shares of Baht 1 each		1,559,291,862	1,559,291,862	1,559,291,862	1,559,291,862
Paid-in capital					
Premium on ordinary shares		1,967,897,516	1,967,897,516	1,967,897,516	1,967,897,516
Premium on treasury stock		172,445,812	172,445,812	172,445,812	172,445,812
Retained earnings					
Appropriated					
Statutory reserve - the Company	22	155,929,186	155,929,186	155,929,186	155,929,186
- subsidiaries	22	497,932,000	479,260,000	-	-
Corporate social responsibility reserve	23	58,065,488	57,652,601	58,065,488	57,652,601
Unappropriated		12,693,363,217	11,867,802,602	5,395,062,519	5,033,251,262
Other components of shareholders' equity		(241,435,766)	(14,570,564)	1,273,854,184	1,336,305,997
Equity attributable to owners of the Company		16,863,489,315	16,245,709,015	10,582,546,567	10,282,774,236
Non-controlling interests of the subsidiaries		43,721	40,930	-	-
Total shareholders' equity		16,863,533,036	16,245,749,945	10,582,546,567	10,282,774,236
Total liabilities and shareholders' equity		26,208,277,614	24,345,819,057	14,338,747,997	11,938,567,844

The accompanying notes are an integral part of the financial statements.

INCOME STATEMENT

Precious Shipping Public Company Limited and its subsidiaries
For the year ended 31 December 2024

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2024	2023	2024	2023
Revenues					
Vessel operating income					
Time charter income		5,905,243,553	5,016,037,638	-	-
Voyage charter income		74,861,766	78,618,622	-	-
Total vessel operating income		5,980,105,319	5,094,656,260	-	-
Service income	8	5,249,589	4,853,326	131,880,313	111,528,967
Interest income		80,615,138	44,376,870	63,848,298	45,127,482
Dividend income	8, 10, 11	5,873,741	507,490	1,139,937,461	740,643,340
Gains on disposal of vessels and equipment		146,876,552	-	-	-
Gains on liquidation of subsidiaries		-	-	-	570,308
Gains on derivatives		8,992,362	35,900,388	-	-
Gains on other financial assets		3,515,609	-	-	-
Exchange gains		32,568,588	11,937,908	19,535,207	-
Other income		3,356,193	743,944	2,725,840	707,602
Total revenues		6,267,153,091	5,192,976,186	1,357,927,119	898,577,699
Expenses					
Vessel operating costs					
Vessel running expenses		2,104,581,861	2,095,286,314	-	-
Voyage disbursements		40,160,292	35,193,709	-	-
Bunker consumption		23,788,904	30,288,679	-	-
Total vessel operating costs		2,168,531,057	2,160,768,702	-	-
Depreciation	13, 19	1,523,326,311	1,428,684,321	9,551,460	8,068,655
Cost of services		6,535,448	5,576,636	-	-
Administrative expenses		437,829,535	334,132,630	225,832,230	164,910,529
Management remuneration including perquisites	8	117,683,832	91,258,156	113,946,067	88,496,838
Losses on capital reduction of subsidiary		-	-	-	24,681,968
Losses on impairment of investments in subsidiaries		-	-	-	284,150,578
Exchange losses		-	-	-	2,716,810
Total expenses		4,253,906,183	4,020,420,445	349,329,757	573,025,378
Operating profit		2,013,246,908	1,172,555,741	1,008,597,362	325,552,321
Share of profit from investment in associate					
held by a subsidiary	12.1	20,287,119	21,218,259	-	-
Finance cost	24	(560,683,805)	(480,596,627)	(22,738,205)	(721,863)
Profit before income tax expenses		1,472,850,222	713,177,373	985,859,157	324,830,458
Income tax expenses	26	(4,566,558)	(3,575,091)	-	-
Profit for the year		1,468,283,664	709,602,282	985,859,157	324,830,458

The accompanying notes are an integral part of the financial statements.

INCOME STATEMENT (CONTINUED)

Precious Shipping Public Company Limited and its subsidiaries
For the year ended 31 December 2024

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Profit attributable to:					
Equity holders of the Company		1,468,280,515	709,601,871	985,859,157	324,830,458
Non-controlling interests of the subsidiaries		3,149	411	-	-
Profit for the year		<u>1,468,283,664</u>	<u>709,602,282</u>	<u>985,859,157</u>	<u>324,830,458</u>
Basic earnings per share	28				
Profit attributable to equity holders of the Company		<u>0.94</u>	<u>0.46</u>	<u>0.63</u>	<u>0.21</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT OF COMPREHENSIVE INCOME

Precious Shipping Public Company Limited and its subsidiaries
For the year ended 31 December 2024

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Profit for the year	1,468,283,664	709,602,282	985,859,157	324,830,458
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>				
Gains on measurement of fair value of financial assets	740,052	-	-	-
Exchange differences on translation of financial statements in foreign currency	(11,958,177)	2,029,317	-	-
Losses on cash flow hedges	(32,114,481)	(141,966,249)	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods	(43,332,606)	(139,936,932)	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>				
Gains (losses) on measurement of fair value of financial assets	(26,872,813)	4,739,108	1,313,523	3,252,742
Exchange differences on translation of functional currency to presentation currency financial statements	(156,660,141)	(167,807,066)	(63,765,336)	362,194,185
Other comprehensive income not to be reclassified to profit or loss in subsequent periods	(183,532,954)	(163,067,958)	(62,451,813)	365,446,927
Other comprehensive income for the year	(226,865,560)	(303,004,890)	(62,451,813)	365,446,927
Total comprehensive income for the year	1,241,418,104	406,597,392	923,407,344	690,277,385
Total comprehensive income attributable to				
Equity holders of the Company	1,241,415,313	406,597,391	923,407,344	690,277,385
Non-controlling interests of the subsidiaries	2,791	1	-	-
	1,241,418,104	406,597,392	923,407,344	690,277,385

The accompanying notes are an integral part of the financial statements.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)

Precious Shipping Public Company Limited and its subsidiaries
For the year ended 31 December 2024

(Unit: Baht)

Consolidated financial statements													
	Equity attributable to owners of the Company							Other components of shareholders' equity					
	Retained earnings							Other components of shareholders' equity					
	Issued and paid-up share capital	Premium on ordinary shares	Premium on treasury stock	Statutory reserve		Subsidiaries		Corporate social responsibility reserve	Unappropriated	Exchange differences on translation of financial statements	Gains (losses) on measurement of fair value of financial assets	Cash flow hedge reserve	Total other components of shareholders' equity
				The Company									
				155,929,186	571,500,000	57,162,181	11,690,107,761	18,861,395	270,857,602	288,433,916	16,462,768,234	40,929	16,462,809,163
Balance as at 1 January 2023	1,559,291,862	1,967,897,516	172,445,812	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	-	(165,777,339)	-	-	-	-	-
Other comprehensive income for the year	-	-	-	-	-	-	-	(165,777,339)	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	-	(165,777,339)	-	-	-	-	-
Dividend paid (Note 31)	-	-	-	-	-	-	-	-	-	-	-	-	-
Appropriated to statutory reserve (Note 22)	-	-	-	-	-	-	-	-	-	-	-	-	-
Appropriated to corporate social responsibility reserve (Note 23)	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 December 2023	1,559,291,862	1,967,897,516	172,445,812	155,929,186	479,260,000	57,652,601	11,867,802,602	(146,915,944)	128,891,353	(14,570,564)	16,245,709,015	40,930	16,245,749,945
Balance as at 1 January 2024	1,559,291,862	1,967,897,516	172,445,812	155,929,186	479,260,000	57,652,601	11,867,802,602	(146,915,944)	128,891,353	(14,570,564)	16,245,709,015	40,930	16,245,749,945
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid (Note 31)	-	-	-	-	-	-	-	-	-	-	-	-	-
Appropriated to statutory reserve (Note 22)	-	-	-	-	-	-	-	-	-	-	-	-	-
Appropriated to corporate social responsibility reserve (Note 23)	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 December 2024	1,559,291,862	1,967,897,516	172,445,812	155,929,186	497,932,000	58,065,488	12,693,363,217	(315,533,904)	96,776,872	(241,435,766)	16,863,489,315	43,721	16,863,533,036

The accompanying notes are an integral part of the financial statements.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Precious Shipping Public Company Limited and its subsidiaries
For the year ended 31 December 2024

(Unit: Baht)

	Separate financial statements									
	Issued and paid-up share capital	Premium on ordinary shares	Premium on treasury stock	Retained earnings			Other components of shareholders' equity			
				Appropriated		Corporate social responsibility reserve	Exchange differences on translation of financial statements	Gains (losses) on measurement of fair value of investment in equity instrument of non-listed company	Total other components of shareholders' equity	Total shareholders' equity
				Statutory reserve	Unappropriated					
Balance as at 1 January 2023	1,559,291,862	1,967,897,516	172,445,812	155,929,186	5,332,567,834	57,162,181	972,144,151	(1,285,081)	970,859,070	10,216,153,461
Profit for the year	-	-	-	-	324,830,458	-	-	-	-	324,830,458
Other comprehensive income for the year	-	-	-	-	-	-	362,194,185	3,252,742	365,446,927	365,446,927
Total comprehensive income for the year	-	-	-	-	-	-	362,194,185	3,252,742	365,446,927	690,277,385
Dividend paid (Note 31)	-	-	-	-	(623,656,610)	-	-	-	-	(623,656,610)
Appropriated to corporate social responsibility reserve (Note 23)	-	-	-	-	490,420	-	-	-	-	-
Balance as at 31 December 2023	1,559,291,862	1,967,897,516	172,445,812	155,929,186	5,033,251,262	57,652,601	1,334,338,336	1,967,661	1,336,305,997	10,282,774,236
Balance as at 1 January 2024	1,559,291,862	1,967,897,516	172,445,812	155,929,186	5,033,251,262	57,652,601	1,334,338,336	1,967,661	1,336,305,997	10,282,774,236
Profit for the year	-	-	-	-	985,859,157	-	-	-	-	985,859,157
Other comprehensive income for the year	-	-	-	-	-	-	(63,765,336)	1,313,523	(62,451,813)	(62,451,813)
Total comprehensive income for the year	-	-	-	-	-	-	(63,765,336)	1,313,523	(62,451,813)	923,407,344
Dividend paid (Note 31)	-	-	-	-	(623,635,013)	-	-	-	-	(623,635,013)
Appropriated to corporate social responsibility reserve (Note 23)	-	-	-	-	412,887	-	-	-	-	-
Balance as at 31 December 2024	1,559,291,862	1,967,897,516	172,445,812	155,929,186	5,395,062,519	58,065,488	1,270,573,000	3,281,184	1,273,854,184	10,582,546,567

The accompanying notes are an integral part of the financial statements.

CASH FLOW STATEMENT

Precious Shipping Public Company Limited and its subsidiaries
For the year ended 31 December 2024

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Cash flows from operating activities				
Profit before tax	1,472,850,222	713,177,373	985,859,157	324,830,458
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	1,524,785,903	1,430,126,361	10,910,808	9,411,632
Losses on capital reduction of subsidiary	-	-	-	24,681,968
Losses on impairment of investments in subsidiaries	-	-	-	284,150,578
Amortisation of deferred contract costs	19,536,305	19,253,234	-	-
Write-off of equipment	25,915	6,726	25,915	4,338
Gains on disposal of motor vehicle, vessels and equipment	(146,876,552)	(700,502)	-	(700,502)
Share of profit from investment in associate held by a subsidiary	(20,287,119)	(21,218,259)	-	-
Reversal of provision for maritime claims	(8,622,995)	(2,844,033)	-	-
Provision for long-term employee benefits	9,109,840	10,081,690	5,792,957	6,469,654
Unrealised exchange gains	(47,964,865)	(10,692,690)	(35,087,520)	(6,968,409)
Write-off deferred financial fee	1,769,182	-	-	-
Amortised financial fees to interest expenses	14,163,975	18,910,927	-	-
Finance cost	525,495,545	436,083,294	22,194,453	721,863
Amortised deferred debentures issuing cost	543,752	-	543,752	-
Dividend income	(5,873,741)	(507,490)	(1,139,937,461)	(740,643,340)
Gains on derivatives	(8,992,362)	(35,900,388)	-	-
Gains on liquidation of subsidiaries	-	-	-	(570,308)
Gains on other financial assets	(3,515,609)	-	-	-
Interest income	-	-	(39,987,920)	(39,788,294)
Write-off withholding tax deducted at source	-	132,684	-	-
Profit (loss) from operating activities before changes in operating assets and liabilities	3,326,147,396	2,555,908,927	(189,685,859)	(138,400,362)
Operating assets (increase) decrease				
Trade and other receivables	(111,629,070)	(22,503,076)	(1,545,256,381)	506,740,301
Bunker oil	(49,295,331)	11,554,043	-	-
Other current assets	11,096,100	28,612,660	(4,903,920)	1,229,199
Other non-current assets	(717,764)	186,136	(156,200)	-
Operating liabilities increase (decrease)				
Trade and other payables	204,012,921	(173,306,168)	1,939,149,282	1,172,683,960
Advances received from charterers	(21,221,222)	(10,279,516)	-	-
Other current liabilities	(8,123,612)	(36,288,818)	(8,253,499)	(34,716,274)
Other non-current liabilities	(45,774,111)	(123,074,294)	(32,737,782)	(83,675,545)
Cash flows from operating activities	3,304,495,307	2,230,809,894	158,155,641	1,423,861,279
Cash paid for long-term employee benefits	-	(6,027,952)	-	(3,993,061)
Cash received from withholding tax refund	1,827,586	-	1,827,586	-
Cash paid for corporate income tax and withholding tax	(6,009,134)	(4,919,058)	(2,344,025)	(1,809,618)
Net cash flows from operating activities	3,300,313,759	2,219,862,884	157,639,202	1,418,058,600

The accompanying notes are an integral part of the financial statements.

CASH FLOW STATEMENT (CONTINUED)

Precious Shipping Public Company Limited and its subsidiaries
For the year ended 31 December 2024

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Cash flows from investing activities				
Acquisitions of vessels, equipment and payment of dry-dock and special survey expenses	(4,088,459,536)	(409,532,237)	(12,961,695)	(437,576)
Proceed from disposal of motor vehicle, vessels and equipment	1,187,487,458	700,504	-	700,504
Acquisitions of computer software	(4,147)	-	(4,147)	-
Cash paid for advances for vessels construction	(350,344,337)	-	(350,344,337)	-
Cash paid for other financial assets	(494,200,559)	(152,944,526)	-	-
Proceeds from sales of other financial assets	241,115,218	-	-	-
Cash paid for investments in ordinary shares of subsidiary	-	-	(249,000,000)	(999,900)
Cash paid for investments in preference shares of subsidiaries	-	-	(5,351,200)	(6,277,965)
Decrease (increase) in short-term loans to subsidiary	-	-	23,000,000	(23,000,000)
Decrease in long-term loans to subsidiary	-	-	143,776,000	45,265,220
Dividend received	11,633,357	21,157,323	506,521	-
Net cash flows from (used in) investing activities	(3,492,772,546)	(540,618,936)	(450,378,858)	15,250,283
Cash flows from financing activities				
Decrease (increase) in restricted bank deposits	102,216,261	(2,912,290)	-	-
Cash paid for interest expense	(502,294,084)	(428,274,141)	-	-
Cash paid for deferred financial fees	(78,631,096)	(79,398,076)	(54,306,302)	(38,138,922)
Cash paid for issuing debentures	(17,889,930)	-	(17,889,930)	-
Cash paid for the guarantee fee on debentures	(11,140,647)	-	(11,140,647)	-
Repayment of principal portion of lease liabilities	(8,992,283)	(7,171,542)	(6,825,499)	(5,671,501)
Cash received from (paid for) derivatives	(11,502,907)	56,077,298	-	-
Cash received from long-term loans	2,262,901,575	3,080,865,240	-	-
Repayment of long-term loans	(1,055,026,898)	(1,225,303,062)	-	-
Prepayment of long-term loans	(1,342,539,773)	(1,138,431,793)	-	-
Cash received from debentures	1,360,000,000	-	1,360,000,000	-
Dividend paid	(623,635,013)	(623,656,610)	(623,635,013)	(623,656,610)
Net cash flows from (used in) financing activities	73,465,205	(368,204,976)	646,202,609	(667,467,033)
Increase (decrease) in translation adjustments	(30,003,328)	(51,721,697)	65,661,816	(32,223,251)
Net increase (decrease) in cash and cash equivalents	(148,996,910)	1,259,317,275	419,124,769	733,618,599
Cash and cash equivalents at beginning of year	2,314,984,719	1,055,667,444	1,050,094,871	316,476,272
Cash and cash equivalents at end of year	2,165,987,809	2,314,984,719	1,469,219,640	1,050,094,871
Supplemental cash flows information				
Non-cash transactions				
Dividend income from subsidiaries offset against payable to subsidiaries	-	-	1,139,430,940	740,643,340
Cash received from capital reduction of subsidiary offset against payable to subsidiary	-	-	-	551,780
Increased in right-of-use assets from lease liabilities	17,651,103	-	8,537,603	-

The accompanying notes are an integral part of the financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Precious Shipping Public Company Limited and its subsidiaries
For the year ended 31 December 2024

1. General information

Precious Shipping Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged as a holding company for investment in the marine transportation business. The registered office of the Company is at No. 8, G, 7th, 8th and 9th floors, North Sathorn Road, Silom Sub-district, Bangrak District, Bangkok 10500.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

These financial statements are presented in Thai Baht in accordance with the regulatory requirements in Thailand, which differs from the functional currency of the Company, which is US Dollar. Assets and liabilities are translated into the Thai Baht at the rate of exchange prevailing at the reporting period end date, and at a rate that approximates the actual rate at the date of the transaction in respect of revenues and expenses, differences being recorded as “Exchange differences on translation of financial statements” in other comprehensive income, other components of shareholders' equity.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Precious Shipping Public Company Limited (“the Company”) and the following subsidiaries and associate (“the Group”).

Company's name	Nature of business	Country of incorporation	Percentage directly and indirectly owned by the Company		
			2024	2023	
			%	%	
<u>Subsidiaries held by the Company</u>					
1. Precious Metals Limited	Shipowner	Thailand	99.99	99.99	
2. Precious Wishes Limited	Shipowner	Thailand	99.99	99.99	
3. Precious Stones Shipping Limited	Shipowner	Thailand	99.99	99.99	
4. Precious Lands Limited	Shipowner	Thailand	99.99	99.99	
5. Precious Lakes Limited	Shipowner	Thailand	99.99	99.99	
6. Precious Oceans Limited	Shipowner	Thailand	99.99	99.99	
7. Precious Planets Limited	Shipowner	Thailand	99.99	99.99	
8. Precious Sapphires Limited	Shipowner	Thailand	99.99	99.99	
9. Precious Emeralds Limited	Shipowner	Thailand	99.99	99.99	
10. Precious Rubies Limited	Shipowner	Thailand	99.99	99.99	
11. Precious Opals Limited	Shipowner	Thailand	99.99	99.99	
12. Precious Pearls Limited	Shipowner	Thailand	99.99	99.99	
13. Precious Flowers Limited	Shipowner	Thailand	99.99	99.99	
14. Precious Forests Limited	Shipowner	Thailand	99.99	99.99	
15. Precious Trees Limited	Shipowner	Thailand	99.99	99.99	
16. Precious Ponds Limited	Shipowner	Thailand	99.99	99.99	
17. Precious Ventures Limited	Shipowner	Thailand	99.99	99.99	
18. Precious Jasmines Limited	Shipowner	Thailand	99.99	99.99	
19. Precious Orchids Limited	Shipowner	Thailand	99.99	99.99	
20. Precious Lagoons Limited	Shipowner	Thailand	99.99	99.99	
21. Precious Comets Limited	Shipowner	Thailand	99.99	99.99	
22. Precious Ornaments Limited	Shipowner	Thailand	99.99	99.99	
23. Precious Venus Limited	Shipowner	Thailand	99.99	99.99	
24. Precious Neptune Limited	Shipowner	Thailand	99.99	99.99	
25. Bongkot Holdings Limited	Holding company/Investment	Thailand	99.99	99.99	
26. Precious Shipping (Panama) S.A.	Shipowner/Chartering	Panama	99.99	99.99	
27. Precious Shipping (Singapore) Pte. Limited	Holding company/Chartering	Singapore	100.00	100.00	
28. Precious Shipping (UK) Limited	Chartering	England	100.00	100.00	
29. Great Circle Shipping Agency Limited	Technical manager of ships	Thailand	99.99	99.99	
30. Associated Bulk Carriers Pte. Limited	Holding company	Singapore	100.00	100.00	

Company's name	Nature of business	Country of incorporation	Percentage directly and indirectly owned by the Company	
			2024	2023
			%	%
<u>Subsidiaries held by subsidiaries</u>				
31. Precious Forests Pte. Ltd.	Shipowner	Singapore	100.00*	100.00*
32. Precious Fragrance Pte. Ltd.	Shipowner	Singapore	100.00*	100.00*
33. Precious Thoughts Pte. Ltd.	Shipowner	Singapore	100.00*	100.00*
34. Precious Comforts Pte. Ltd.	Shipowner	Singapore	100.00*	100.00*
35. Precious Sparks Pte. Ltd.	Shipowner	Singapore	100.00*	100.00*
36. Precious Visions Pte. Ltd.	Shipowner	Singapore	100.00*	100.00*
37. Precious Bridges Pte. Ltd.	Shipowner	Singapore	100.00*	100.00*
38. Precious Tides Pte. Ltd.	Shipowner	Singapore	100.00*	100.00*
39. Precious Skies Pte. Ltd.	Shipowner	Singapore	100.00*	100.00*
40. Precious Grace Pte. Ltd.	Shipowner	Singapore	100.00*	100.00*
41. Precious Glories Pte. Ltd.	Shipowner	Singapore	100.00*	100.00*
42. Precious Wisdom Pte. Ltd.	Shipowner	Singapore	100.00*	100.00*
43. Precious Breeze Pte. Ltd.	Shipowner	Singapore	100.00*	100.00
44. Precious Topaz Pte. Ltd.	Shipowner	Singapore	100.00	100.00
45. Precious Waves Pte. Ltd.	Shipowner	Singapore	100.00*	100.00
46. Precious Jade Pte. Ltd.	Shipowner	Singapore	100.00	100.00
47. Precious Tulips Pte. Ltd.	Shipowner	Singapore	100.00	100.00
48. Precious Violets Pte. Ltd.	Shipowner	Singapore	100.00	100.00
49. Unity Ventures Pte. Ltd.	Holding company/Investment	Singapore	100.00	100.00
50. Precious Marigold Pte. Ltd.	Shipowner	Singapore	100.00*	100.00*
51. Precious Daisies Pte. Ltd.	Shipowner	Singapore	100.00*	100.00*
52. Precious Hibiscus Pte. Ltd.	Shipowner	Singapore	100.00	-
53. Precious Roses Pte. Ltd.	Shipowner	Singapore	100.00	-
54. Precious Lilac Pte. Ltd.	Shipowner	Singapore	100.00	-
55. Precious Lotus Pte. Ltd.	Shipowner	Singapore	100.00	-
56. ABC One Pte. Ltd.	Shipowner	Singapore	100.00*	100.00*
57. ABC Two Pte. Ltd.	Shipowner	Singapore	100.00*	100.00*
58. ABC Three Pte. Ltd.	Shipowner	Singapore	100.00*	100.00*
59. ABC Four Pte. Ltd.	Shipowner	Singapore	100.00*	100.00*
<u>Associate held by a subsidiary</u>				
60. International Seaports (Haldia) Private Limited	Port development	India	22.40	22.40

* Percentage of shareholding is base on ordinary shares while the preference share held by the Company are non-voting.

During 2024, there were the following changes in the composition of the Subsidiaries:

Additional investment of the Company

Investment date	Company's name	Nature of business	Country of incorporation	Percentage of shareholding	Investment details	Payment date
4 March 2024	Precious Waves Pte. Ltd.	Shipowner	Singapore	66.67*	100,000 preference shares with par value of SGD 1	March 2024
7 March 2024	Precious Breeze Pte. Ltd.	Shipowner	Singapore	66.67*	100,000 preference shares with par value of SGD 1	March 2024
23 July 2024	Bongkot Holdings Limited.	Holding company/ Investment	Thailand	99.99	2,490,000 ordinary shares with par value of THB 100	July 2024

Additional investment of a subsidiary - Precious Shipping (Singapore) Pte. Limited

Investment date	Company's name	Nature of business	Country of incorporation	Percentage of shareholding	Investment details	Payment date
4 March 2024	Precious Waves Pte. Ltd.	Shipowner	Singapore	33.33*	49,999 ordinary shares with par value of SGD 1	March 2024
7 March 2024	Precious Breeze Pte. Ltd.	Shipowner	Singapore	33.33*	49,999 ordinary shares with par value of SGD 1	March 2024

Newly established subsidiary held by a subsidiary - Precious Shipping (Singapore) Pte. Limited

Investment date	Company's name	Nature of business	Country of incorporation	Percentage of shareholding	Investment details	Payment date
4 March 2024	Precious Hibiscus Pte. Ltd.	Shipowner	Singapore	100.00	50,000 ordinary shares with par value of SGD 1	March 2024
20 August 2024	Precious Roses Pte. Ltd.	Shipowner	Singapore	100.00	50,000 ordinary shares with par value of SGD 1	August 2024
1 November 2024	Precious Lotus Pte. Ltd.	Shipowner	Singapore	100.00	1 ordinary shares with par value of SGD 1	October 2024
1 November 2024	Precious Lilac Pte. Ltd.	Shipowner	Singapore	100.00	1 ordinary shares with par value of SGD 1	October 2024

* Ordinary shares held by the subsidiary, Precious Shipping (Singapore) Pte. Limited, are voting while the preference share held by the Company are non-voting.

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.

Investment in associate is accounted for using the equity method and is recognised initially at cost. The consolidated financial statements include the Group's share of the income and expenses and equity movements of equity accounted investee from the date that significant influence incurs until the date that significant influence ceases.

- d) The financial statements of the subsidiaries are prepared for the same reporting period as the Company and using the same significant accounting policies as the Company.

The financial statements of the associate are prepared for a reporting date that differs from that of the Company by no more than three months. In this respect, the accounting periods and differences are consistent and the financial statements are prepared using the same significant accounting policies as the Company.

- e) The financial statements of all subsidiaries and associate are prepared in their respective functional currencies. Where the functional currency is not USD, the financial statements are translated into USD using the exchange rate prevailing on the end of reporting period in respect of assets and liabilities, and at a rate that approximates the actual rate at the date of the transaction in respect of revenues and expenses. The resultant differences have been shown under the caption of "Exchange differences on translation of financial statements" in other comprehensive income, other components of shareholders' equity.
- f) Material balances and transactions between the Group, and investments in subsidiaries by the Company and shareholders' equity of the subsidiaries have been eliminated from the consolidated financial statements.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated income statement and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2025

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2025. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

4. Accounting policies

4.1 Revenue and expense recognition

Vessel operating income

Vessel operating income consists of time charter income and voyage charter income.

Time charter income is recognised on a straight-line basis over the term of the respective time charter agreements as service is provided.

Voyage charter income is recognised on a straight-line basis over the estimated voyage days from the commencement of loading to completion of discharge.

Rendering of services

Service revenue is recognised when services have been rendered.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

Dividend received

Dividends received are recognised when the right to receive the dividends is established.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Bunker oil

Bunker oil is valued at the lower of cost (first-in, first-out method) and net realisable value and is charged to vessel operating costs whenever consumed.

4.4 Investments in subsidiaries and associate

Investment in associate is accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries and associate are accounted for in the separate financial statements using the cost method net of allowance for impairment loss (if any).

4.5 Property, plant and equipment/Depreciation

Vessels, condominium units, and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of vessels, condominium units and equipment is calculated by reference to their costs, after deducting residual value, on the straight-line basis over the following estimated useful lives.

Vessels	25 years
Vessels equipment	5 year or depreciated over the residual useful lives of vessels
Dry-dock and special survey expenses	2 years and 4 years, respectively
Condominium units	17 - 20 years
Leasehold improvement	5 years
Others	5 years

Depreciation is included in determining income.

No depreciation is provided on asset under construction.

An item of buildings and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

4.6 Intangible assets and amortisation

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at each financial year end. The amortisation expense is charged to the income statement.

The estimated useful lives of computer software are 5 years and 7 years.

Other intangible assets are European Union Allowance (EU Allowance, Carbon credit) which are initially recognised at cost. Following the initial recognition, the other intangible assets are carried at cost less any accumulated impairment losses (if any) and are not subject to amortisation due to indefinite useful life.

The other intangible assets are derecognised when the allowances are utilised.

4.7 Deferred financial fees

Financial expenses related to borrowings that are typically incurred on or before signing facility agreements and before actual draw down of the loans are recorded as deferred financial fees. A portion of deferred financial fees proportionate to the amount of the loan facility already drawn is presented as a deduction against the related loan account and amortised using the effective interest rate method over the term of the loans.

4.8 Deferred contract costs

The delay penalties, which the Group paid to the charterer of Cement Carriers before delivery of the vessels in order to maintain respective long-term time charter contracts, are recorded as deferred contract costs and amortised on a straight-line basis over the committed term of the charter under the contract, which is 15 years. The vessel operating income is presented net of this amortisation in the income statement.

4.9 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease, and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

Depreciation of right-of-use assets which are buildings are calculated by reference to their costs on the straight-line basis over the shorter of their estimated useful lives and the lease term which are 5 years to 8 years.

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

4.10 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associates, and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

4.11 Foreign currencies

The Group's financial statements are presented in Thai Baht, which is different from the Group's functional currency of USD. Each entity in the Group determines its own functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

a) Transactions and balances

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency. Foreign currency transactions during a particular month are translated into functional currency at the average exchange rates ruling during the previous transaction month.

Monetary assets and liabilities denominated in foreign currencies are retranslated into functional currency at the exchange rate ruling at the end of reporting period. All differences are taken to the income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

b) Group companies

The assets and liabilities of Group companies whose functional currency is not USD are translated into USD at the exchange rate ruling at the end of reporting period and their income statement and statements of comprehensive income are translated at a rate that approximates the actual rate at the date of the transaction.

The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the income statement.

4.12 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in the income statement.

4.13 Employee benefits

a) Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

b) Post-employment benefits

Defined contribution plans

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

Defined benefit plans

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

Past service costs are recognised in the income statement on the earlier of the date of the plan amendment or curtailment and the date that the Company recognises restructuring-related costs.

c) Other long-term employee benefits

The Group's obligation in respect of accrued employee benefits is classified as long-term employee benefits other than retirement benefit plans, and is the amount of future benefit that employees have earned in return for their service in the current period.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in the income statement.

d) Termination benefits

The Group recognised termination benefits when it is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy.

4.14 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

Provisions for maritime claims

Provisions for maritime claims are recorded by the subsidiaries upon receipt of the claim advices from the charterers, based on the best estimate of the expenditure required to settle the subsidiaries present obligation.

4.15 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Income tax of the Group in Thailand is provided for in the accounts based on the taxable income determined in accordance with tax legislation in Thailand. Overseas subsidiaries and associate calculate corporate income tax in accordance with the method and tax rates stipulated by tax laws in those countries.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognised deferred tax liabilities for all taxable temporary differences while it recognised deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.16 Premium on treasury stock

Gains on disposal of treasury stock are determined by reference to the carrying amount and are presented as premium on treasury stock, while losses on disposal are determined by reference to the carrying amount and are recorded as a deduction from premium on treasury stock until the premium is eliminated, with the remainder then presented in retained earnings.

4.17 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income (“FVOCI”), or fair value through profit or loss (“FVTPL”). The classification of financial assets at initial recognition is driven by the Group’s business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognised in income statement when the asset is derecognised, modified or impaired.

Financial assets at FVOCI (debt instruments)

The Group measures financial assets at FVOCI if the financial asset is held to collect contractual cash flows and to sell the financial asset and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to income statement.

Dividends are recognised as other income in income statement, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in income statement when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in income statement.

Recognition and derecognition of financial instruments

Financial assets are recognised or derecognised on the settlement date, i.e., the date on which an asset is delivered to or by the Group. This includes regular way trades.

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in income statement.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.18 Derivatives and hedge accounting

The Group uses derivatives, which are interest rate swaps and forward freight agreements, to hedge its interest rate and freight rates, respectively.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes including interest income are recognised in income statement unless the derivative is designated and effective as a hedging instrument under cash flow hedge. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Hedge accounting

For the purpose of hedge accounting, hedge is classified as cash flow hedges when hedging the exposure to a variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction.

At the inception of a hedging relationship, the Group formally designates and documents the hedging relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation, at the inception of the hedge and on an ongoing basis, includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements, including analysis of the sources of hedge ineffectiveness and how the hedge ratio is determined.

A hedging relationship qualifies for hedge accounting if it meets all of the following hedge effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk is not the dominant factor in the value changes that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet all of the qualifying criteria for hedge accounting are accounted for, as described below:

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in income statement. The cash flow hedge reserve is adjusted to the lower (in absolute amounts) of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The way cash flow hedge reserve accumulated in other comprehensive income are subsequently accounted for, depends on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the reserve accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and is not recognised in other comprehensive income for the period. For any other cash flow hedges, the reserve accumulated in other comprehensive income is subsequently reclassified to income statement as a reclassification adjustment in the same period which the hedged cash flows affect income statement.

If cash flow hedge accounting is discontinued, the cash flow hedge reserve accumulated in other comprehensive income must remain in equity if the hedged future cash flows are still expected to occur. Otherwise, the reserve will be immediately reclassified to income statement as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, the way the reserve remaining in equity is accounted for depends on the nature of the underlying transaction as described above.

4.19 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgments and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures and actual results could differ. The significant accounting judgments and estimates are as follows:

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgment, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk (bank and counterparty), liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

Property, plant and equipment/Depreciation

In calculating depreciation on vessels, condominium units and equipment, the management estimates useful lives and residual values of the Company's and subsidiaries' vessels, condominium units and equipment and reviews estimated useful lives and residual values if there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

Litigation in relation to the arrest of M.V. Chayanee Naree and her crew in Nigeria

The Company has disclosed the contingent liabilities in respect of the arrest of M.V. Chayanee Naree and her Thai crew members in Nigeria for alleged drug smuggling in Note 32.2 to the financial statements. Based on the opinion of the Group's legal counsel and its legal counsel, the Company's management believes that it is premature at this stage to reliably estimate the amount of liability (if any) and therefore, no provisions have been made in respect of this case.

6. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Cash	754	754	742	742
Bank deposits	2,165,234	2,314,231	1,468,478	1,049,353
Total	2,165,988	2,314,985	1,469,220	1,050,095

As at 31 December 2024, bank deposits carried interest between 0.04% to 5.80% per annum for SGD and USD savings, fixed and current deposits and between 0.15% to 1.70% per annum for Baht savings deposits (2023: between 0.04% and 5.80% per annum for SGD and USD savings, fixed and current deposits, and between 0.15% and 0.55% per annum for Baht savings deposits).

7. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of invoice date				
Past due				
Up to 3 months	404,781	295,394	-	-
Over 12 months	51	52	-	-
Total	404,832	295,446	-	-
Less: Allowance for expected credit losses	(51)	(52)	-	-
Total trade receivables - unrelated parties, net	404,781	295,394	-	-
<u>Other receivables - related parties</u>				
Advances to related parties (Note 8)	-	-	3,892,712	2,373,079
Total other receivables - related parties	-	-	3,892,712	2,373,079
Total trade and other receivables - net	404,781	295,394	3,892,712	2,373,079

8. Related party transactions

In addition to relationship among the Group as stated in Notes 11 to the financial statements and its associate held by a subsidiary as stated in Note 12 to the financial statements, the other related party transactions and relationships are summarised below.

Related party's name	Transaction	Relationship
Globex Corporation Limited	None	Major shareholder holding 28.40% ordinary shares in the Company and related by way of the Company's directors as shareholders and directors in the related party
Unistretch Limited	Office rental and service expenses	Related by way of common shareholders and directors
Maestro Controls Limited	Air-conditioning service expenses	Related by way of common shareholders and directors
Maxwin Builders Limited	Hotel service and management service expenses	Related by way of common shareholders and directors
InsurExcellence Insurance Brokers Limited	Insurance expense	Related by way of Company Directors' close family member as the related party's shareholder

Related party's name	Transaction	Relationship
InsurExcellence Life Insurance Brokers Limited	Insurance expense	Related by way of Company Directors' close family member as the related party's shareholder
MJets Limited	Air transportation service	Related by way of common shareholders and directors
Eka Software Solutions Pte Ltd., Singapore	Software expenses	Related by way of common shareholders and directors
Mega Lifesciences Nigeria Limited	Service fee	Related by way of common shareholders and directors
RZHA GmbH	Consultancy services for ship chartering	Related by way of Company Directors' close family member as the related party's shareholder
TamGP Co.,Ltd.	Air ticket expenses	Related by way of common shareholders and directors

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms agreed upon between the Company and those related parties.

(Unit: Thousand Baht)					
	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	2024	2023	2024	2023	
Transactions with subsidiaries					
(Eliminated from consolidated financial statements)					
Service income - management fees	-	-	127,305	111,529	Fixed rate per vessel per day set with reference to the administrative cost of the Company
Service income - consultant fees	-	-	4,575	-	Actual costs
Dividend received	-	-	1,139,431	740,643	As declared
Interest income	-	-	39,988	39,788	At interest rate of 5.00% per annum
Condominium rental expenses	-	-	6,826	6,751	Market price
Transaction with associate					
Dividend received	5,760	20,650	-	-	As declared
Transactions with related companies					
Air ticket expenses	60	-	-	-	Market price
Rental and service expenses	18,929	12,527	16,703	10,774	Market price

The balances of the accounts as at 31 December 2024 and 2023 between the Company and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Other receivables - related parties (Note 7)				
Subsidiaries	-	-	3,892,712	2,373,079
Total other receivables - related parties	-	-	3,892,712	2,373,079
Trade and other payables - related parties				
Subsidiaries	-	-	1,907,818	1,342,582
Related companies	62	6	62	6
Total trade and other payables - related parties	62	6	1,907,880	1,342,588
Lease liabilities - related party				
Related company	-	1,953	-	1,953
Total lease liabilities - related party	-	1,953	-	1,953

The outstanding balances of the amounts due from/to subsidiaries represent current accounts between the Group. The Company's management believes that no allowance for expected credit losses is necessary. No interest was charged on advances to/from subsidiaries.

Loans to related parties

As at 31 December 2024 and 2023, the balances of loans between the Group and those related companies and the movement in loans are as follows:

Short-term loans to a subsidiary

	(Unit: Thousand Baht)	
	Separate financial statements	
	2024	2023
Balance at beginning of the year	23,000	-
Increase	145,000	23,000
Less: Repayment	(168,000)	-
Balance at end of the year	-	23,000

Short-term loans to a subsidiary were loans to Bongkot Holdings Limited in form of promissory notes without collateral and repayable at call.

On 18 July 2024, the Company received full repayment of the loans from the subsidiary.

Long-term loan to a subsidiary

	(Unit: Thousand Baht)	
	Separate financial statements	
	2024	2023
Balance at beginning of the year	777,499	790,604
Interest income for the year	39,988	39,788
Decrease	(143,776)	(45,265)
Translation adjustment	1,096	(7,628)
Balance at end of the year	674,807	777,499

On 30 December 2019, the Company executed a loan agreement with Precious Shipping (Singapore) Pte. Limited ("PSSP") in order to refinance the existing loans amounting to USD 150 million between the Company as lender and PSSP as borrower. As of 31 December 2024, the outstanding on this long-term loan to PSSP was USD 19.85 million (2023: USD 22.72 million).

Directors and management's benefits

During the years ended 31 December 2024 and 2023, the Group had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Short-term employee benefits	100,360	79,044	97,495	77,143
Post-employment benefits	2,020	3,109	2,020	2,795
Other long-term benefits	15,304	9,105	14,431	8,559
Total	117,684	91,258	113,946	88,497

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its subsidiaries in relation to the loans from banks, as described in Note 17 to the financial statements.

9. Restricted bank deposits

Balance as at 31 December 2023 represented the Subsidiaries' deposits of USD 3.01 million, in accordance with the terms of a facility agreement signed in 2021 and referred to in Note 17 to the financial statements.

During 2024, the Subsidiaries signed amendments to the facility agreement to terminate the debt service reserve accounts (DSRA).

10. Other current/non-current financial assets

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Other current financial assets				
<u>Debt instruments at amortised cost</u>				
Fixed deposits with maturity date due more than 3 months	6,798	-	-	-
<u>Debt instruments at FVOCI</u>				
Debentures	82,242	95,110	-	-
Total other current financial assets	89,040	95,110	-	-
Other non-current financial assets				
<u>Equity instruments designated at FVOCI</u>				
Listed company	275,971	55,595	-	-
Non-listed company	22,343	21,175	22,343	21,175
Total other non-current financial assets	298,314	76,770	22,343	21,175

Equity instruments designated at FVOCI consists of listed and non-listed equity investments which the Group considers these investments to be strategic in nature. Therefore, these investments are classified as equity instruments designated at FVOCI.

During 2024, the change in other non-current financial assets is as follows:

- Investment in equity instrument of non-listed company is TMN Company Limited which the Company invested in 2,026,086 ordinary shares of Baht 10.00 each, representing 3% of total issued and paid-up shares capital. During 2024, the Company received dividends of Baht 0.51 million (2023: nil) from its investment in this equity instrument. This is recorded as dividend income in the consolidated and separate income statements.
- Bongkot Holdings Limited (“Bongkot”) acquired additional ordinary shares of V.L. Enterprise Public Company Limited on Stock Exchange of Thailand. As at 31 December 2024, Bongkot owns 208,627,723 ordinary shares, representing 17.63% of the total issued and paid-up share capital of the listed company. During 2024, Bongkot received dividends of Baht 3.89 million (2023: nil) from its investment in this equity instrument. This is recognised as dividend income in the consolidated income statements.
- Precious Shipping (Singapore) Pte. Limited (“PSSP”) and Unity Ventures Pte. Limited (“Unity”) acquired additional ordinary shares of a Singapore listed company. As at 31 December 2024, PSSP and Unity own 2,975,300 ordinary shares, representing 3.79% of the total issued and paid-up share capital of the listed company. During 2024, PSSP and Unity received dividends totaling Baht 1.47 million (2023: Baht 0.51 million) from its investment in this equity instrument. This is recognised as dividend income in the consolidated income statements.

The changes in cost of financial assets are from measurement at fair value and the exchange differences on translation of financial statements from functional currency to presentation currency.

11. Investments in subsidiaries

These represent investments in ordinary shares and preference shares in the following subsidiaries.

Subsidiaries' name	(Unit: Thousand Baht)					
	Separate financial statements					
	Paid-up capital		Shareholding percentage		Cost	
	2024	2023	2024	2023	2024	2023
			%	%		
Precious Metals Limited	275,000	275,000	99.99	99.99	360,124	362,619
Precious Wishes Limited	230,000	230,000	99.99	99.99	306,557	308,680
Precious Stones Shipping Limited	260,000	260,000	99.99	99.99	286,362	288,346
Precious Lands Limited	306,000	306,000	99.99	99.99	329,553	331,836
Precious Lakes Limited	184,000	184,000	99.99	99.99	190,073	191,390
Precious Oceans Limited	150,000	150,000	99.99	99.99	199,928	201,313
Precious Planets Limited	270,000	270,000	99.99	99.99	316,274	318,464
Precious Sapphires Limited	144,000	144,000	99.99	99.99	134,340	135,271
Precious Emeralds Limited	366,000	366,000	99.99	99.99	322,128	324,359
Precious Rubies Limited	259,360	259,360	99.99	99.99	268,957	270,820
Precious Opals Limited	249,360	249,360	99.99	99.99	260,331	262,134
Precious Pearls Limited	173,000	173,000	99.99	99.99	189,769	191,084
Precious Flowers Limited	336,000	336,000	99.99	99.99	365,891	368,425
Precious Forests Limited	286,000	286,000	99.99	99.99	284,458	286,428
Precious Trees Limited	202,000	202,000	99.99	99.99	222,062	223,600
Precious Ponds Limited	124,000	124,000	99.99	99.99	133,568	134,493
Precious Ventures Limited	202,000	202,000	99.99	99.99	240,870	242,539
Precious Jasmines Limited	567,000	567,000	99.99	99.99	585,352	589,406
Precious Orchids Limited	217,000	217,000	99.99	99.99	204,657	206,074
Precious Lagoons Limited	140,000	140,000	99.99	99.99	186,600	187,892
Precious Comets Limited	141,000	141,000	99.99	99.99	141,869	142,851
Precious Ornaments Limited	156,000	156,000	99.99	99.99	155,703	156,781
Precious Venus Limited	298,800	298,800	99.99	99.99	288,198	290,194
Precious Neptune Limited	298,800	298,800	99.99	99.99	288,198	290,194
Bongkot Holdings Limited	250,000	1,000	99.99	99.99	231,522	965
Precious Shipping (Panama) S.A.	250	250	99.99	99.99	340	342
Precious Shipping (Singapore) Pte. Limited	363,338	363,338	100.00	100.00	1,910,882	1,924,117
Precious Shipping (UK) Limited	250	250	100.00	100.00	340	342
Great Circle Shipping Agency Limited	210,000	210,000	99.99	99.99	368,571	371,124
Associated Bulk Carriers Pte. Limited	0.0664	0.0664	100.00	100.00	-	-

(Unit: Thousand Baht)

	Separate financial statements					
Subsidiaries' name	Paid-up capital		Shareholding		Cost	
			percentage			
	2024	2023	2024	2023	2024	2023
			%	%		
<u>Indirectly owned Singapore incorporated subsidiaries</u>						
Precious Forests Pte. Ltd.	2,514*	2,514*	66.67	66.67	2,443	2,460
Precious Fragrance Pte. Ltd.	2,514*	2,514*	66.67	66.67	2,443	2,460
Precious Thoughts Pte. Ltd.	2,514*	2,514*	66.67	66.67	2,443	2,460
Precious Comforts Pte. Ltd.	2,542*	2,542*	66.67	66.67	2,408	2,425
Precious Sparks Pte. Ltd.	2,514*	2,514*	66.67	66.67	2,443	2,460
Precious Visions Pte. Ltd.	2,514*	2,514*	35.71	35.71	2,443	2,460
Precious Bridges Pte. Ltd.	2,514*	2,514*	66.67	66.67	2,443	2,460
Precious Tides Pte. Ltd.	2,431*	2,431*	66.67	66.67	2,444	2,461
Precious Skies Pte. Ltd.	2,431*	2,431*	66.67	66.67	2,444	2,461
Precious Grace Pte. Ltd.	2,431*	2,431*	66.67	66.67	2,444	2,461
Precious Glories Pte. Ltd.	2,514*	2,514*	66.67	66.67	2,443	2,460
Precious Wisdom Pte. Ltd.	2,514*	2,514*	66.67	66.67	2,443	2,460
Precious Waves Pte. Ltd.	2,667*	-	66.67	-	2,528	-
Precious Breeze Pte. Ltd.	2,670*	-	66.67	-	2,531	-
Precious Marigold Pte. Ltd.	3,270*	3,270*	66.67	66.67	3,043	3,064
Precious Daisies Pte. Ltd.	3,270*	3,270*	66.67	66.67	3,043	3,064
ABC One Pte. Ltd.	3,588*	3,588*	66.67	66.67	3,399	3,422
ABC Two Pte. Ltd.	3,588*	3,588*	66.67	66.67	3,399	3,422
ABC Three Pte. Ltd.	3,588*	3,588*	66.67	66.67	3,399	3,422
ABC Four Pte. Ltd.	3,588*	3,588*	66.67	66.67	3,399	3,422
Total investments in subsidiaries					8,827,502	8,651,387
Less: Allowance for loss on investments in subsidiaries					(1,023,020)	(1,030,106)
Total investments in subsidiaries - net					7,804,482	7,621,281

* Paid-up non-voting and non-cumulative preference shares

During 2024, the Company received dividends in the amount of Baht 1,139.43 million from subsidiaries and recognised as dividend income in the separate income statement (2023: Baht 740.64 million).

The changes in cost of investment in subsidiaries is from the exchange differences on translation of financial statements from functional currency to presentation currency and there are the additional investment in ordinary shares of the 1 subsidiary and preference shares of the 2 subsidiaries, as described in Note 2.2 (a) to the financial statement.

As of 31 December 2024, the Company has pledged the shares of 24 subsidiaries amounting to Baht 3,571.21 million (2023: 26 subsidiaries amounting to Baht 3,234.96 million), stated under the cost method, with banks to secure the long-term loans referred to in Note 17 to the financial statements.

In addition, as of 31 December 2024, the subsidiaries in Singapore, Precious Shipping (Singapore) Pte. Limited, has pledged the shares of 9 subsidiaries amounting to Baht 11.53 million (2023: 9 subsidiaries amounting to Baht 11.75 million), stated under the cost method, and Associated Bulk Carriers Pte. Limited has pledged the shares of 4 subsidiaries amounting to Baht 6.80 million (2023: 4 subsidiaries amounting to Baht 6.84 million), stated under the cost method, with banks to secure the long-term loans referred to Note 17 to the financial statements.

As of 31 December 2024 and 2023, the amounts under allowance for loss on investments in subsidiaries in the separate financial statements are derived from subsidiaries that have sold vessels and have no plans of buying replacement vessels in the future.

12. Investment in associate held by a subsidiary

12.1 Details of associate held by a subsidiary

(Unit: Thousand Baht)

			Consolidated financial statements					
Associate's name	Nature of business	Country of incorporation	Shareholding percentage		Cost		Carrying amounts based on equity method	
			2024	2023	2024	2023	2024	2023
			%	%				
International Seaports (Haldia)								
Private Limited	Port development	India	22.40	22.40	69,255	69,735	80,593	81,747

The change in cost of investment in associate held by a subsidiary is from the exchange differences on translation of financial statements from functional currency to presentation currency.

(Unit: Thousand Baht)

Associate's name	Consolidated financial statements			
	For the years ended 31 December			
	Share of profit		Dividend received	
	2024	2023	2024	2023
International Seaports (Haldia) Private Limited	20,287	21,218	5,760	20,650

Share of profit from investment in associate held by a subsidiary for the years ended 31 December 2024 and 2023, included in the consolidated income statements, was calculated based on the financial information of that associate as at 30 September 2024 and 2023, respectively.

12.2 Summarised financial information of associate held by a subsidiary

(Unit: Thousand Baht)

Associate's name	Paid-up capital as at		Total assets as at		Total liabilities as at		Total revenues for the years ended		Profit for the years ended	
	30 September		30 September		30 September		30 September		30 September	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	Thousand INR	Thousand INR								
International Seaports										
(Haldia) Private Limited	440,580	440,580	405,121	418,444	45,330	53,502	502,414	518,124	90,567	94,724

13. Property, plant and equipment

	Consolidated financial statements							(Unit: Thousand Baht)
	Vessels and equipment			Furniture, fixtures and office equipment			Leasehold improvement	
	Condominium units	Vessels and equipment	Dry-dock and special survey expenses	Total	Motor vehicles	Total		
Cost								
1 January 2024	297,311	31,417,316	887,823	32,305,139	58,725	13,404	14,684	32,689,263
Acquisitions	1,952	3,601,707	471,475	4,073,182	4,286	-	9,040	4,088,460
Disposals/write-off	-	(1,639,131)	(254,468)	(1,893,599)	(65)	-	(123)	(1,893,787)
Translation adjustment	(2,124)	(180,610)	(9,168)	(189,778)	(652)	(92)	(795)	(193,441)
31 December 2024	297,139	33,199,282	1,095,662	34,294,944	62,294	13,312	22,806	34,690,495
Accumulated depreciation								
1 January 2024	242,017	11,170,417	368,762	11,539,179	45,831	12,363	14,278	11,853,668
Depreciation for the year	3,074	1,164,888	341,083	1,505,971	6,147	292	1,443	1,516,927
Depreciation on disposals/write-off	-	(732,568)	(193,343)	(925,911)	(39)	-	(123)	(926,073)
Translation adjustment	(1,770)	(71,244)	(8,497)	(79,741)	(519)	(95)	(126)	(82,251)
31 December 2024	243,321	11,531,493	508,005	12,039,498	51,420	12,560	15,472	12,362,271
Net book value								
1 January 2024	55,294	20,246,899	519,061	20,765,960	12,894	1,041	406	20,835,595
31 December 2024	53,818	21,667,789	587,657	22,255,446	10,874	752	7,334	22,328,224
Depreciation for the year								
2024								1,516,927

(Unit: Thousand Baht)

Consolidated financial statements

	Vessels and equipment				Furniture, fixtures and office equipment	Motor vehicles	Leasehold improvement	Total
	Condominium units	Vessels and equipment	Dry-dock and special survey expenses	Total				
Cost								
1 January 2023	296,881	31,626,792	788,404	32,415,196	73,437	15,140	16,811	32,817,465
Acquisitions	3,387	102,620	302,233	404,853	1,150	-	142	409,532
Disposals/write-off	-	-	(193,872)	(193,872)	(15,512)	(1,625)	(2,163)	(213,172)
Translation adjustment	(2,957)	(312,096)	(8,942)	(321,038)	(350)	(111)	(106)	(324,562)
31 December 2023	297,311	31,417,316	887,823	32,305,139	58,725	13,404	14,684	32,689,263
Accumulated depreciation								
1 January 2023	241,551	10,160,963	281,042	10,442,005	55,906	13,516	16,341	10,769,319
Depreciation for the year	2,883	1,127,478	285,741	1,413,219	5,684	576	201	1,422,563
Depreciation on disposals/write-off	-	-	(193,872)	(193,872)	(15,506)	(1,625)	(2,163)	(213,166)
Translation adjustment	(2,417)	(118,024)	(4,149)	(122,173)	(253)	(104)	(101)	(125,048)
31 December 2023	242,017	11,170,417	368,762	11,539,179	45,831	12,363	14,278	11,853,668
Net book value								
1 January 2023	55,330	21,465,829	507,362	21,973,191	17,531	1,624	470	22,048,146
31 December 2023	55,294	20,246,899	519,061	20,765,960	12,894	1,041	406	20,835,595
Depreciation for the year								
2023								1,422,563

(Unit: Thousand Baht)

Separate financial statements

	Furniture, fixtures and office equipment	Motor vehicles	Leasehold improvement	Total
Cost				
1 January 2024	22,593	13,404	9,309	45,306
Acquisitions	3,922	-	9,040	12,962
Disposals/write-off	(65)	-	(123)	(188)
Translation adjustment	(384)	(92)	(759)	(1,235)
31 December 2024	26,066	13,312	17,467	56,845
Accumulated depreciation				
1 January 2024	16,348	12,363	9,188	37,899
Depreciation for the year	3,020	292	1,329	4,641
Depreciation on disposals/write-off	(39)	-	(123)	(162)
Translation adjustment	(209)	(95)	(87)	(391)
31 December 2024	19,120	12,560	10,307	41,987
Net book value				
1 January 2024	6,245	1,041	121	7,407
31 December 2024	6,946	752	7,160	14,858
Depreciation for the year 2024				4,641
Cost				
1 January 2023	28,861	15,140	11,522	55,523
Acquisitions	438	-	-	438
Disposals/write-off	(6,594)	(1,625)	(2,163)	(10,382)
Translation adjustment	(112)	(111)	(50)	(273)
31 December 2023	22,593	13,404	9,309	45,306
Accumulated depreciation				
1 January 2023	20,391	13,516	11,291	45,198
Depreciation for the year	2,612	576	110	3,298
Depreciation on disposals/write-off	(6,590)	(1,625)	(2,163)	(10,378)
Translation adjustment	(65)	(104)	(50)	(219)
31 December 2023	16,348	12,363	9,188	37,899
Net book value				
1 January 2023	8,470	1,624	231	10,325
31 December 2023	6,245	1,041	121	7,407
Depreciation for the year 2023				3,298

During 2024, the Group carried out the vessel acquisition and disposal transactions listed below.

a) Acquisition of vessels

Contract date	Company name	Previous vessel name	New vessel name	Contract Price (Million USD)	Delivery date
26 February 2024	Precious Waves Pte. Ltd.	Interlink Amenity	Hansa Naree	25.25	11 April 2024
11 June 2024	Precious Marigold Pte. Ltd.	Western Panama	Hatthaya Naree	18.60	25 July 2024
19 July 2024	Precious Roses Pte. Ltd.	Western Durban	Nitaya Naree	19.40	9 September 2024
19 July 2024	Precious Wishes Limited	Western Paris	Napha Naree	19.40	18 October 2024
19 July 2024	Precious Hibiscus Pte. Ltd.	Western Lima	Nisa Naree	19.42	30 October 2024

b) Disposal of vessels

Contract date	Company name	Vessel name	Contract Price (Million USD)	Delivery date
6 February 2024	Precious Stones Shipping Limited	Rattana Naree	6.57	15 March 2024
20 March 2024	Precious Ornaments Limited	Wikanda Naree	13.66	16 April 2024
29 May 2024	Precious Marigold Pte. Ltd.	Charana Naree	10.75	21 June 2024

On 19 July 2024, the Company's subsidiary signed a Memorandum of Agreement (MOA) to acquire the vessel Western Miami. However, this contract was canceled on 9 December 2024 due to delay in delivery.

On 12 December 2024, Precious Jasmines Limited signed a Memorandum of Agreement (MOA) to sell the vessel Rojarek Naree to an overseas company.

As at 31 December 2024, certain condominium units and equipment items have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation) of those assets amounted to Baht 284.71 million (2023: Baht 285.50 million) in the consolidated financial statements and Baht 30.96 million (2023: Baht 30.46 million) in the separate financial statements.

As at 31 December 2024, the subsidiaries have mortgaged 24 vessels (2023: 27 vessels) with net book value of Baht 14,747.40 million (2023: Baht 15,861.54 million) with banks to secure long-term loans as referred to in Note 17 to the financial statements.

14. Advances for vessel constructions

Movements of the advances for vessel construction account for the years ended 31 December 2024 are summarised below

	(Unit: Thousand Baht) Consolidated/Separate financial statements
Balance at beginning of the year	-
Increase	350,344
Translation adjustment	(1,655)
Balance as at end of year	348,689

On 29 May 2024, the Company entered into four Shipbuilding Contracts (“Shipbuilding Contracts” or “Contracts”) for four 63,500 DWT Bulk Carriers with Taizhou Sanfu Ship Engineering Co., Ltd. (the “Seller”). The details are as follows:

Vessel type	4 Dry Bulk Carriers (Ultramax)
Registration country	Singapore
Contract price	USD 33.36 million per vessel (USD 133.46 million in aggregate)
Payment terms of each vessel	1 st installment of USD 250,000 2 nd installment of 10% of contract price with deduction of the 1 st installment 3 rd installment of 10% of contract price (Based on the stage of completion of vessel construction as specified in the contracts) 4 th installment of 20% of contract price (Based on the stage of completion of vessel construction as specified in the contracts) 5 th installment of 20% of contract price (Based on the stage of completion of vessel construction as specified in the contracts) 6 th installment of 40% of contract price would be payable on delivery
Delivery date	Year 2026 to Year 2027

15. Intangible assets

Movements of Intangible assets for the years ended 31 December 2024 and 2023 are summarised below.

	Consolidated financial statements			Separate financial statements	
	European				
	computer software	Union Allowance	Total	computer software	Total
As at 31 December 2024					
Cost					
Cost at beginning of year	66,799	-	66,799	66,242	66,242
Acquisitions	4	417	421	4	4
Translation adjustment	(460)	(34)	(494)	(455)	(455)
Cost at end of year	66,343	383	66,726	65,791	65,791
Accumulated amortisation					
Accumulated amortisation at beginning of year	62,688	-	62,688	62,334	62,334
Amortisation for the year	1,459	-	1,459	1,359	1,359
Translation adjustment	(481)	-	(481)	(475)	(475)
Accumulated amortisation at end of year	63,666	-	63,666	63,218	63,218
Net book value	2,677	383	3,060	2,573	2,573
Amortisation for the year 2024			1,459		1,359

	(Unit: Thousand Baht)		
	Consolidated financial statements		Separate financial statements
	computer software	European Union Allowance	computer software
		Total	Total
As at 31 December 2023			
Cost			
Cost at beginning of year	67,461	-	67,461
Acquisitions	-	-	-
Translation adjustment	(662)	-	(662)
Cost at end of year	66,799	-	66,799
Accumulated amortisation			
Accumulated amortisation at beginning of year	61,877	-	61,877
Amortisation for the year	1,442	-	1,442
Translation adjustment	(631)	-	(631)
Accumulated amortisation at end of year	62,688	-	62,688
Net book value	4,111	-	4,111
Amortisation for the year 2023		1,442	1,343

16. Deferred contract costs

Movements of the deferred contract costs account during the years ended 31 December 2024 and 2023 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2024	2023
Balance at beginning of year	108,936	129,144
Amortisation for the year	(19,536)	(19,253)
Translation adjustment	(75)	(955)
Balance at end of year	89,325	108,936

17. Long-term loan facilities

As of 31 December 2024 and 2023, long-term loan accounts are presented below.

(Unit: Thousand Baht)

Consolidated financial statements													
As at 31 December 2024													
Facility 1	Facility 2	Facility 3	Facility 4	Facility 5	Facility 6	Facility 7	Facility 8*	Facility 9	Facility 10	Facility 11*	Facility 12*	Facility 13	Total
Long-term loans	223,208	350,384	1,524,799	1,239,709	235,475	796,744	520,831	1,034,680	589,690	-	-	458,837	7,193,239
Add (less): Deferred financial fees	1,455	(1,478)	(267)	(14,397)	(1,631)	(7,152)	(12,370)	(9,038)	(7,574)	-	-	(4,467)	(76,510)
Total	224,663	348,906	1,505,208	1,225,312	233,844	789,592	508,461	1,025,642	582,116	-	-	454,370	7,116,729
Less: Current portion	(224,663)	(39,875)	(346,844)	(274,000)	(46,619)	(94,582)	(42,964)	(143,398)	(87,263)	-	-	(56,796)	(1,395,024)
Long-term loans - net of current portion	-	309,031	1,158,364	951,312	187,225	695,010	465,497	882,244	494,853	-	-	397,574	5,721,705

(Unit: Thousand Baht)

Consolidated financial statements													
As at 31 December 2023													
Facility 1	Facility 2	Facility 3	Facility 4	Facility 5	Facility 6	Facility 7	Facility 8	Facility 9	Facility 10	Facility 11*	Facility 12*	Facility 13	Total
Long-term loans	1,080,710	393,132	646,820	1,875,707	937,718	284,375	898,362	-	1,262,840	-	-	-	7,379,664
Add (less): Deferred financial fees	11,032	(1,927)	(1,056)	(28,898)	(8,901)	(2,370)	(8,959)	-	(12,223)	-	-	-	(53,302)
Total	1,091,742	391,205	645,764	1,846,809	928,817	282,005	889,403	-	1,250,617	-	-	-	7,326,362
Less: Current portion	(864,315)	(40,124)	(95,669)	(310,520)	(186,458)	(46,875)	(95,141)	-	(144,261)	-	-	-	(1,783,363)
Long-term loans - net of current portion	227,427	351,081	550,095	1,536,289	742,359	235,130	794,262	-	1,106,356	-	-	-	5,542,999

Movements of the long-term loans accounts during the years ended 31 December 2024 and 2023 are summarised below.

(Unit: Thousand Baht)

Consolidated financial statements														
	Facility 1	Facility 2	Facility 3	Facility 4	Facility 5	Facility 6	Facility 7	Facility 8*	Facility 9	Facility 10	Facility 11*	Facility 12*	Facility 13	Total
Balance as at 1 January 2024	1,091,742	391,205	645,764	1,846,809	928,817	282,005	889,403	-	1,250,617	-	-	-	-	7,326,362
Add: Drawdown	-	-	-	-	586,386	-	-	605,286	-	612,103	-	-	459,127	2,262,902
Amortisation of financial fees	(10,013)	451	806	9,445	5,182	750	1,808	1,434	3,213	904	-	-	184	14,164
Less: Deferred financial fees	-	-	-	-	(11,478)	-	-	(14,937)	-	(8,482)	-	-	(4,654)	(39,551)
Repayment	(44,044)	(41,483)	(64,858)	(324,422)	(238,713)	(48,632)	(98,869)	(22,018)	(149,882)	(22,106)	-	-	-	(1,055,027)
Prepayment	(854,030)	-	(368,876)	(26,430)	-	-	-	(14,999)	(78,205)	-	-	-	-	(1,342,540)
Translation adjustment	41,008	(1,267)	5,779	(194)	(44,882)	(279)	(2,750)	(46,305)	(101)	(303)	-	-	(287)	(49,581)
Balance as at 31 December 2024	224,663	348,906	218,615	1,505,208	1,225,312	233,844	789,592	508,461	1,025,642	582,116	-	-	454,370	7,116,729

(Unit: Thousand Baht)

	Consolidated financial statements											
	Facility 1	Facility 2	Facility 3	Facility 4	Facility 5	Facility 6	Facility 7	Facility 8	Facility 9	Facility 10	Facilities**	Total
Balance as at 1 January 2023	1,310,414	435,323	748,498	2,315,755	536,250	-	-	-	-	-	1,362,833	6,709,073
Add: Drawdown	-	-	-	-	553,628	313,375	920,251	-	1,293,611	-	-	3,080,865
Amortisation of financial fees	(11,255)	482	441	10,737	2,700	555	25	-	439	-	14,787	18,911
Less: Deferred financial fees	-	-	-	-	(6,193)	(2,962)	(9,202)	-	(12,960)	-	-	(31,317)
Repayment	(197,927)	(40,982)	(97,395)	(380,815)	(145,711)	(24,276)	-	-	-	-	(338,197)	(1,225,303)
Prepayment	-	-	-	(83,232)	-	-	-	-	-	-	(1,055,200)	(1,138,432)
Translation adjustment	(9,490)	(3,618)	(5,780)	(15,636)	(11,857)	(4,687)	(21,671)	-	(30,473)	-	15,777	(87,435)
Balance as at 31 December 2023	1,091,742	391,205	645,764	1,846,809	928,817	282,005	889,403	-	1,250,617	-	-	7,326,362

* As of 31 December 2024, the Group had an undrawn loan balance in the amount of USD 127.67 million (2023: USD 138.90 million).

** During the year 2023, the Company and subsidiaries as borrower prepaid all outstanding loans.

The Group's bank loan facilities are summarised below:

Facility	Bank	Borrower	Interest rate per loan/amendment agreement
Facility 1	Export-Import Bank of Thailand	The Company and local subsidiaries	SOFR + margin
Facility 2	Export-Import Bank of Thailand	The Company and local subsidiary	SOFR + margin
Facility 3	Export-Import Bank of Thailand	The Company and local subsidiaries	SOFR + margin
Facility 4	International Finance Corporation, Export-Import Bank of Thailand and TMBThanachart Bank Public Company Limited	Indirect subsidiaries in Singapore	SOFR + margin
Facility 5	Bangkok Bank PLC. (Singapore Branch)	Indirect subsidiaries in Singapore	SOFR + margin
Facility 6	THE IYO BANK, LTD.	Indirect subsidiary in Singapore	SOFR + margin
Facility 7	Export-Import Bank of Thailand	The Company and local subsidiaries	SOFR + margin
Facility 8	International Finance Corporation, Crédit Agricole Corporate and Investment Bank and Export-Import Bank of Thailand	Indirect subsidiaries in Singapore	SOFR + margin
Facility 9	Crédit Agricole Corporate and Investment Bank	Indirect subsidiaries in Singapore	SOFR + margin
Facility 10	SinoPac Capital International (HK) Limited	Indirect subsidiary in Singapore	SOFR + margin
Facility 11	Export-Import Bank of Thailand	The Company and local subsidiaries	SOFR + margin
Facility 12	Export-Import Bank of Thailand	The Company and local subsidiary	SOFR + margin
Facility 13	THE IYO BANK, LTD.	Indirect subsidiary in Singapore	SOFR + margin

The details of each loan facility are summarised as follows:

Facility 1

On 29 May 2014, the Company executed a USD 81.50 million Term Loan Facility with Export-Import Bank of Thailand to finance up to 80% of the contract price of new dry bulk vessels ordered for construction by the Company. The loan carries interest at LIBOR plus margin which is to be paid quarterly.

The main details of the loan facility are summarised as follows:

Facility / Description	Post-delivery facility
Loan Facility	Up to USD 81,500,000 in multiple drawdowns
Drawdown	80% of the contract price to be drawn upon delivery of each vessel
Final maturity	10 years after full drawdown of the loan facility but not later than 30 December 2025
Repayment	The loan shall be repaid in 39 equal quarterly installments of 1/55th of each drawdown amount, beginning from the end of the next quarter after the respective each drawdown with balance amount repayable at the end of the 40th quarter.
Security	a) 1 st priority mortgage on the financed vessels b) Pledge of shares of the subsidiary borrowers

The loan agreement contains covenants that, among other things, require the Company to maintain certain financial ratios on its consolidated USD financial statements which include:

- a) Maintenance of Debt Service Coverage Ratio at least 1.1:1;
- b) Maintenance of net funded debts to EBITDA ratio not exceeding 5:1;
- c) Maintenance of debts to equity ratio not exceeding 2:1.

On 12 July 2019, the Company and 4 local subsidiaries executed an Amendment Agreement with Export-Import Bank of Thailand, whereby the financial covenant in relation to the net funded debts to EBITDA ratio was replaced with two financial covenants. After the amendments, the financial covenants are as follows:

- a) Debt Service Coverage Ratio of at least 1.1:1;
- b) Debts to equity ratio not exceeding 2:1 with minimum total shareholders' equity of USD 300,000,000;
- c) Minimum free cash balance of USD 100,000 per vessel owned by the Group.

On 13 May 2020, the Company and 4 local subsidiaries ("the Borrowers") executed an Amendment Agreement with Export-Import Bank of Thailand ("the Lender"), whereby no principal repayment was due and payable on the repayment date in June 2020 and September 2020. The Borrowers shall repay the abovementioned principal amounts to the Lender on the last repayment date.

During 2023, the Group executed an amendment to loan agreements to modify the reference interest rate. This interest rates were adjusted from LIBOR to SOFR plus a credit adjustment spread, in response to the impact of the IBOR reforms.

On 4 January 2024, the Company and its subsidiaries as the borrowers, partially prepaid the loan.

Facility 2

On 15 December 2017, the Company along with its subsidiary, Precious Forests Limited, executed a USD 18.00 million Secured Loan Facility with Export-Import Bank of Thailand to refinance up to 72% of the market value of one Ultramax dry bulk vessel. The loan carries interest at LIBOR plus margin which is to be paid quarterly.

The main details of the loan facility are summarised as follows:

Facility / Description	Post-delivery facility
Loan Facility	Up to USD 18,000,000
Drawdown	The lower of USD 18,000,000 or 72% of the market value of the vessel
Final maturity	10 years after the drawdown
Repayment	The loans shall be repaid over 10 years in 39 equal quarterly installments of 1/55 th of the drawdown amount each, beginning from the end of the next quarter after the drawdown with balance amount repayable at the end of the 40 th quarter.
Security	a) 1 st priority mortgage on the vessel b) Pledge of shares of the subsidiary borrower

The loan agreement contains covenants that, among other things, require the Company to maintain certain financial ratios on its consolidated USD financial statements which include:

- a) Maintenance of debts to total shareholders' equity ratio not exceeding 2:1;
- b) Maintenance of a minimum total shareholders' equity of USD 300,000,000;
- c) Maintenance of a minimum free cash balance of USD 100,000 per vessel owned by the Group.

On 13 May 2020, the Company along with its subsidiary ("the Borrowers") executed an Amendment Agreement with Export-Import Bank of Thailand ("the Lender"), whereby no principal repayment was due and payable on the repayment date in June 2020 and September 2020. The Borrowers shall repay the abovementioned principal amounts to the Lender on the last repayment date.

During 2023, the Group executed an amendment to loan agreements to modify the reference interest rate. This interest rates were adjusted from LIBOR to SOFR plus a credit adjustment spread, in response to the impact of the IBOR reforms.

Facility 3

On 13 December 2019, the Company along with 5 local subsidiaries executed a USD 28.00 million Term loan Facility with Export-Import Bank of Thailand for (i) redemption of any of the debentures issued by the Company, (ii) repayment/prepayment of any loan of the Company and/or its subsidiaries from financial institutions, and/or (iii) acquisition of vessels. The loan carries interest at LIBOR plus margin which is to be paid quarterly.

The main details of the loan facility are summarised as follows:

Facility	Description
Loan Facility	Up to USD 28,000,000
Drawdown	Each subsidiary may drawdown in the aggregate amount not exceeding USD 5.60 million.
Final maturity	7 years after the drawdown
Repayment	The loans shall be repaid over 7 years, in 27 equal quarterly installments of 1/40 th of the drawdown amount each, beginning from the end of the next quarter after the drawdown with balance amount repayable at the end of the 28 th quarter.
Security	a) 2 nd priority mortgage on the vessel b) Pledge of the debt service reserve account of the Company

The loan agreement contains covenants that, among other things, require the Company to maintain certain financial ratios on its year end consolidated USD financial statements starting from year end 2020 which include:

- a) Maintenance of debts to total shareholders' equity ratio not exceeding 2:1;
- b) Maintenance of a minimum total shareholders' equity of USD 300,000,000;
- c) Maintenance of a minimum free cash balance of USD 100,000 per vessel owned by the Group.

On 13 May 2020, the Company and 5 local subsidiaries ("the Borrowers") executed an Amendment Agreement with Export-Import Bank of Thailand ("the Lender"), whereby no principal repayment was due and payable on the repayment date in June 2020 and September 2020. The Borrowers shall repay the abovementioned principal amounts to the Lender on the last repayment date.

During 2023, the Group executed an amendment to loan agreements to modify the reference interest rate. This interest rates were adjusted from LIBOR to SOFR plus a credit adjustment spread, in response to the impact of the IBOR reforms.

During the year, the Company and its subsidiaries as the borrowers, partially prepaid the loan.

Facility 4

On 29 June 2021, the Company's 5 subsidiaries incorporated in Singapore as the Borrowers signed a USD 85.00 million Senior Secured Sustainability-Linked Amortizing Term Loan Agreement ("Agreement") with International Finance Corporation, Export-Import Bank of Thailand and TMBThanachart Bank Public Company Limited, to refinance 4 cement carriers, 1 Supramax dry bulk vessel and to redeem the remaining outstanding principal of the Company's PSL211A debentures. The loan carries interest at LIBOR plus margin which is to be paid quarterly.

The main details of the loan facility are summarised as follows:

Facility	Description
Loan Facility	Up to USD 85,000,000
Drawdown	Totally USD 85,000,000
Maturity date	30 June 2029
Repayment	The loan, shall be repaid over a maximum tenor of 8 years, in 32 quarterly installments as the amounts stipulated in the agreement beginning on 30 December 2021 together with a balloon payment payable on final maturity of the loan.
Guarantors	<ul style="list-style-type: none"> a) Precious Shipping Public Company Limited (the “Company”) b) Precious Shipping (Singapore) Pte. Ltd., Singapore subsidiary of the Company c) Associated Bulk Carriers Pte. Ltd., Singapore subsidiary of the Company
Security	<ul style="list-style-type: none"> a) Guarantee from the Guarantors; b) 1st priority mortgage on the 5 vessels; c) Pledge of shares in the 5 subsidiaries; d) 1st priority assignment of the long-term charter contracts in relation to the 5 vessels; e) 1st priority general assignment of insurances, requisition compensation and earnings in relation to the 5 vessels; f) 1st priority charge over the earnings and retention accounts of the Borrowers.

The loan agreement contains covenants that, among other things, require the Borrowers to maintain Debt Service Coverage Ratio on their year end consolidated USD financial statement at least 1.1:1.

On 23 December 2021, 5 subsidiaries entered into Interest Rate Swap Transactions from floating interest rate (LIBOR) to fixed interest rate on 4 facilities for a total of USD 67.65 million for interest payable during the period 28 December 2021 to 30 June 2029 and one facility of USD 7.84 million for interest payable during the period 28 December 2021 to 30 June 2027.

During 2023, the Group executed an amendment to loan agreements to modify the reference interest rate. This interest rates were adjusted from LIBOR to SOFR plus a credit adjustment spread, in response to the impact of the IBOR reforms.

During 2024, the subsidiaries as the borrowers, partially prepaid the loan.

Facility 5

On 20 June 2022, Precious Grace Pte. Ltd., one of the Company's Singapore incorporated subsidiaries as the Borrower and the Company as the Guarantor executed a USD 17.10 million Senior Secured Amortizing Term Loan Agreement ("Agreement") with Bangkok Bank Public Company Limited, Singapore Branch, mainly to reimburse or refinance any shareholder's loan which was used to support the Borrower's operations and to provide intercompany loans for the Guarantor's vessel acquisitions. The loan carries interest at SOFR plus margin which is to be paid quarterly.

The main details of the loan facility are summarised as follows:

Facility	Description
Loan Facility	Up to USD 17,100,000
Drawdown	The lower of USD 17,100,000 or 60% of the market value of the vessel
Final maturity	6 years after the drawdown
Repayment	The loan shall be repaid in 24 quarterly installments of USD 712,500 beginning from three calendar months after the drawdown date.
Security	a) 1 st priority mortgage on the Borrower's vessel b) Pledge of shares of the Borrower c) 1 st priority charge over the Earnings Account and Retention Account of the Borrower d) 1 st priority assignment of all insurance and requisition compensation, earnings and any charterparties (for a period of 12 months or more) of the Borrower's vessel e) Guarantee from the Guarantor

The loan agreement contains covenants that, among other things, require the Company to maintain certain financial ratios on its consolidated USD financial statements which include:

- a) Maintenance of net debts to total shareholders' equity ratio not exceeding 2:1;
- b) Maintenance of a minimum total shareholders' equity of USD 225,000,000.

In addition, the loan agreement requires the Borrower to maintain certain financial ratios on its USD financial statements which include:

- a) Maintenance of a minimum free cash balance of USD 100,000 per vessel;
- b) Maintenance of Debt Service Coverage Ratio of at least 1.2:1.

On 15 June 2023, Precious Grace Pte. Ltd., Precious Skies Pte. Ltd., and Precious Tides Pte. Ltd. (collectively the “Subsidiaries”) which are the Company’s Singapore incorporated subsidiaries as the Co-borrowers and the Company as the Guarantor have executed a first amendment and restatement agreement (“Amendment Agreement”) in relation to the USD 17.10 million Senior Secured Amortizing Term Loan Agreement (“Original Loan Agreement”) with Bangkok Bank Public Company Limited, Singapore Branch, made on 20 June 2022. The aforesaid Amendment Agreement is mainly to upsize the original loan by an additional loan amount of up to USD 31.80 million. As such, the aggregate loan amount has been increased to USD 48.90 million (“Amended Loan”). The loan carries interest at SOFR plus margin which is to be paid quarterly.

The main details of the loan facility are summarised as follows:

Facility	Description		
Loan Facility	Up to USD 48,900,000		
Drawdown	In aggregate, USD 48,900,000 and split into the following three loan tranches:		
	Ship Loan	Loan Amount (USD)	Availability Period
	Loan tranche One	17,100,000	3 months from the date of the Original Loan Agreement
	Loan tranche Two	15,900,000	12 months from the date of the Amendment Agreement
	Loan tranche Three	15,900,000	12 months from the date of the Amendment Agreement
Final maturity	6 years after the drawdown		
Repayment	The loan shall be repaid in 24 quarterly installments beginning three calendar months after the drawdown date.		
Security	a) Guarantee from the Guarantor b) 1 st priority mortgage on the Borrower’s vessel c) 1 st priority assignment of all insurance and requisition compensation, earnings and any charterparties (for a period of 12 months or more) of the Borrower’s vessel d) 1 st priority charge over the Earnings Accounts and Retention Accounts of the Borrower e) Pledge of shares in the Borrowers		

The loan agreement contains covenants that, among other things, require the Company to maintain certain financial ratios on its consolidated USD financial statements which include:

- a) Maintenance of net debts to total shareholders' equity ratio not exceeding 2:1;
- b) Maintenance of a minimum total shareholders' equity of USD 225,000,000.
- c) The Guarantor shall remain listed on the Stock Exchange of Thailand at all times.

In addition, the loan agreement requires the Borrower to maintain certain financial ratios on its USD financial statements which include:

- a) Maintenance of a minimum free cash balance of USD 100,000 per vessel;
- b) Maintenance of Debt Service Coverage Ratio of at least 1.2:1.
- c) Each Borrower is not allowed to pay any dividend or other distribution to its shareholders if an event of default has occurred and is continuing.

On 18 April 2024, the subsidiary completed the drawdown of the loan.

Facility 6

On 25 April 2023, Precious Visions Pte. Ltd., one of the Company's Singapore incorporated subsidiaries as the Borrower and the Company as the Guarantor executed a USD 9.00 million Senior Secured Amortizing Term Loan Agreement ("Agreement") with THE IYO BANK, LTD., Singapore Branch, to refinance the Supramax dry bulk vessel (M.V. Chayanee Naree) (the "Vessel"). The loan carries interest at SOFR plus margin which is to be paid quarterly.

The details of the loan facility are summarised as follows:

Facility	Description
Loan Facility	Up to USD 9,000,000
Drawdown	Totally USD 9,000,000
Final maturity	5 years after the drawdown
Repayment	The loan shall be repaid in 20 quarterly installments beginning three calendar months after the drawdown date.
Security	<ul style="list-style-type: none"> a) Guarantee from the Guarantor b) 1st priority mortgage on the Borrower's vessel c) 1st priority assignment of all insurance and requisition compensation, earnings and any charterparties (for a period of 12 months or more) of the Borrower's vessel

The loan agreement contains covenants that, among other things, require the Company to maintain certain financial ratios on its consolidated USD financial statements which include:

- a) Maintenance of net debts to total shareholders' equity ratio not exceeding 2:1;
- b) Maintenance of a minimum total shareholders' equity of USD 225,000,000.

In addition, the loan agreement requires the Borrower to maintain certain covenants which include:

- a) Maintenance of a minimum free cash balance of USD 100,000;
- b) The Borrower is not allowed to pay any dividend or other distribution to its shareholders or issue any new shares in its share capital if an event of default has occurred and is continuing.

Facility 7

On 11 August 2023, the Company and Thai subsidiaries of the Company namely Precious Stones Shipping Limited and Precious Metals Limited as the Borrowers executed a USD 26.25 million term loan Agreement ("Agreement") with the Export-Import Bank of Thailand. The purpose of the Loan Agreement is to reimburse the acquisition expenses of M.V. Phatra Naree and to support the Borrowers' operations. The loan carries interest at SOFR plus margin which is to be paid quarterly.

The details of the loan facility are summarised as follows:

Facility	Description						
Loan Facility	Up to USD 26,250,000						
Drawdown	<p>In aggregate, USD 26,250,000 and split into the following two loan tranches:</p> <table border="1"> <thead> <tr> <th>Tranche</th><th>Loan Amount (USD)</th></tr> </thead> <tbody> <tr> <td>Loan tranche A</td><td>21,250,000</td></tr> <tr> <td>Loan tranche B</td><td>5,000,000</td></tr> </tbody> </table>	Tranche	Loan Amount (USD)	Loan tranche A	21,250,000	Loan tranche B	5,000,000
Tranche	Loan Amount (USD)						
Loan tranche A	21,250,000						
Loan tranche B	5,000,000						
Final maturity	<p>Loan tranche A - 7 years after the drawdown</p> <p>Loan tranche B - 6 years after the drawdown</p>						
Repayment	<p>Loan tranche A - The loan shall be repaid in 28 quarterly installments beginning three calendar months after the drawdown date.</p> <p>Loan tranche B - The loan shall be repaid in 24 quarterly installments beginning three calendar months after the drawdown date.</p>						
Security	<ul style="list-style-type: none"> a) 1st priority mortgage on the Borrower's vessel b) 1st priority assignment of all insurance and requisition compensation, earnings and any charterparties (for a period of 12 months or more) of the Borrower's vessel c) Pledge of shares in the Borrowers 						

The loan agreement contains covenants that, among other things, require the Company to maintain certain financial ratios on its consolidated USD financial statements which include:

- a) Maintenance of debts to total shareholders' equity ratio not exceeding 2:1;
- b) Maintenance of a minimum total shareholders' equity of USD 300,000,000;
- c) Maintenance of a minimum free cash balance of USD 200,000 per vessel;
- d) The Company shall remain listed on the Stock Exchange of Thailand at all times;
- e) Each Borrower is not allowed to pay any dividend or other distribution to its shareholders if an event of default has occurred and is continuing.

Facility 8

On 25 October 2023, Singapore subsidiaries of the Company, namely Precious Waves Pte. Ltd., Precious Breeze Pte. Ltd., Precious Topaz Pte. Ltd., Precious Jade Pte. Ltd., Precious Violets Pte. Ltd., and Precious Tulips Pte. Ltd. (collectively the "Subsidiaries") as the Borrowers executed loan agreements in relation to a USD 105.00 million Senior Secured Sustainability-Linked Amortizing Term Loan Agreement ("Agreement") from the International Finance Corporation, Crédit Agricole Corporate and Investment Bank and Export-Import Bank of Thailand. The purpose of Loan Agreement is to finance the acquisition of up to six dry bulk carriers. The loan carries interest at SOFR plus margin which is to be paid quarterly.

The details of the loan facility are summarised as follows:

Facility	Description														
Loan Facility	Up to USD 105,000,000														
Drawdown	In aggregate, USD 105,000,000 and split into the following three tranches: <table><tr><th>Tranche</th><th>Lender</th><th>Loan Amount (USD)</th></tr><tr><td>IFC A Loan</td><td>International Finance Corporation</td><td>70,000,000</td></tr><tr><td>Parallel Loan A</td><td>Crédit Agricole Corporate and Investment Bank</td><td>20,000,000</td></tr><tr><td>Parallel Loan B</td><td>Export-Import Bank of Thailand</td><td>15,000,000</td></tr></table>			Tranche	Lender	Loan Amount (USD)	IFC A Loan	International Finance Corporation	70,000,000	Parallel Loan A	Crédit Agricole Corporate and Investment Bank	20,000,000	Parallel Loan B	Export-Import Bank of Thailand	15,000,000
Tranche	Lender	Loan Amount (USD)													
IFC A Loan	International Finance Corporation	70,000,000													
Parallel Loan A	Crédit Agricole Corporate and Investment Bank	20,000,000													
Parallel Loan B	Export-Import Bank of Thailand	15,000,000													
Availability period	24 months from the date of the Loan Agreement														
Final maturity	10 years after the drawdown														
Repayment	Each Project Vessel Advance shall be repaid in 40 quarterly installments, together with a balloon payment payable on the final maturity of the loan.														

Facility	Description
Guarantors	a) Precious Shipping Public Company Limited (the “Company”) b) Precious Shipping (Singapore) Pte. Ltd., Singapore subsidiary of the Company and the Shareholder of the Borrowers (the “Shareholder”)
Security	a) Guarantee from the Guarantors b) 1 st priority mortgage on the project vessels c) 2 nd priority mortgage on 4 cement carriers, i.e., M.V. Danaya Naree, M.V. Apinya Naree, M.V. Boonya Naree, M.V. Chanya Naree and 1 Supramax Vessel, i.e., M.V. Apiradee Naree d) 1 st priority assignment of all insurance and requisition compensation, earnings and any charterparties, for a period of 12 months or more, of the Borrower’s vessels e) Pledge of shares in the Borrowers.

The loan agreement contains covenants that, among other things, require the Company to maintain certain financial ratios on its consolidated USD financial statements which include:

- a) Maintenance of a maximum financial debts to tangible net worth ratio of 2.0;
- b) Maintenance of a minimum tangible net worth of USD 300,000,000;
- c) Maintenance of a maximum financial debts of USD 500,000,000;
- d) Maintenance of a minimum consolidated cash of USD 300,000 per vessel

On 5 April 2024, the subsidiary, Precious Waves Pte. Ltd., completed the partial drawdown of the loan amounting to USD 16.41 million.

During 2024, the subsidiary as the borrower, partially prepaid the loan.

Facility 9

On 6 November 2023, the Company’s 4 subsidiaries incorporated in Singapore, namely Precious Glories Pte. Ltd., Precious Wisdom Pte. Ltd., Precious Bridges Pte. Ltd., and Precious Sparks Pte. Ltd. (collectively the “Subsidiaries”) as the Borrowers have executed a USD 37.50 million Senior Secured Amortizing Term Loan Agreement (“Agreement”) with Crédit Agricole Corporate and Investment Bank (“CACIB”). The proceeds were used to refinance the Existing Loan Agreement. The Company and PSSP, the Company’s Singapore subsidiary, are the Guarantors under the Agreement. The loan carries interest at SOFR plus margin which is to be paid quarterly.

The main details of the loan facility are summarised as follows:

Facility	Description		
Loan Facility	Up to USD 37,500,000		
Drawdown	Up to USD 37,500,000 divided into the following four tranches:		
	Tranche	Borrower	Loan Amount (USD)
	A	Precious Glories Pte. Ltd.	10,640,000
	B	Precious Wisdom Pte. Ltd.	11,300,000
	C	Precious Sparks Pte. Ltd.	7,780,000
	D	Precious Bridges Pte. Ltd.	7,780,000
Final maturity	5 years after the drawdown		
Repayment	The loan under each tranche shall be repaid over 5 years, in 20 equal quarterly installments together with a balloon payable on final maturity of the loan.		
Security	a) Guarantee from the Guarantors b) 1 st priority mortgage on the 4 vessels c) Pledge of shares in the 4 subsidiaries d) 1 st priority assignment of all insurance and requisition compensation, earnings, any charterparties (for a period of 12 months or more) and any charter guarantee in relation to the vessels e) 1 st priority charge over the Borrowers' Earnings Accounts and Retention Accounts f) 1 st priority charge over the Borrowers' rights under the hedging agreement		

The loan agreement contains covenants that, among other things, require the Company to maintain certain financial ratios on its quarterly consolidated USD financial statements which include:

- a) Maintenance of the maximum funded debts to total shareholders' equity ratio of 2:1;
- b) Maintenance of a minimum total shareholders' equity of USD 300,000,000;
- c) Maintenance of a minimum free cash balance of USD 200,000 per vessel owned by the Group.

During 2024, the subsidiaries as the borrowers, partially prepaid the loan.

Facility 10

On 26 December 2023, the Company's 2 subsidiaries incorporated in Singapore, namely Precious Daisies Pte. Ltd. and Precious Marigold Pte. Ltd. (collectively the "Subsidiaries") as the Borrowers have executed a USD 18.00 million Senior Secured Amortizing Term loan Agreement with SinoPac Capital International (HK) Limited to refinance two Handysize dry bulk carriers, i.e., M.V. Chamchuri Naree and M.V. Charana Naree. The loan carries interest at SOFR plus margin which is to be paid quarterly.

The main details of the loan facility are summarised as follows:

Facility	Description			
Loan Facility	Up to USD 18,000,000			
Drawdown	USD 18,000,000 split into the following two vessel loans:			
	No.	Borrower	Tranche	Loan Amount (USD)
	Loan 1	Precious Daisies Pte. Ltd.	Senior Tranche	6,300,000
			Junior Tranche	2,700,000
			Total Loan 1 amount	9,000,000
	Loan 2	Precious Marigold Pte. Ltd.	Senior Tranche	6,300,000
			Junior Tranche	2,700,000
			Total Loan 2 amount	9,000,000
	Availability period	12 months from the date of the Loan Agreement		
Final maturity	5 years after the drawdown for Senior loan and 3 years after the drawdown for Junior loan			
Repayment	The Senior Loan Tranche of each loan shall be repaid in 20 quarterly installments, together with a balloon payment payable on the final maturity of the loan.			
	The Junior Loan Tranche of each loan shall be repaid in 12 quarterly installments.			
Security	a) Guarantee from the Guarantor b) 1 st priority mortgage on the vessel for the Senior Tranche of each Loan c) 2 nd priority mortgage on the vessel for the Junior Tranche of each Loan d) 1 st priority assignment of all insurance and requisition compensation earnings and any charterparties (for a period of 12 months or more) of the vessel			

On 22 August 2024, the Company along with its subsidiaries as borrowers, executed a deed of release agreement for the loan and simultaneously executed a new agreement which Precious Marigold Pte. Limited., an indirect subsidiary of the Company incorporated in Singapore, as the Borrower, and the Company, as the Guarantor, entered into several agreements regarding a USD 18.00 million Senior Secured Amortizing Term Loan Facility with SinoPac Capital International (HK) Limited. The purpose of the Loan Facility is primarily to finance one Handysize dry bulk carrier, M.V. Hatthaya Naree. The loan carries interest at SOFR plus margin, with repayment to be made on a quarterly basis.

The main details of the loan facility are summarised as follows:

Facility	Description						
Loan Facility	Up to USD 18,000,000						
Drawdown	<p>USD 18,000,000 split into the following two loan tranches:</p> <table> <tr> <th>Tranche</th><th>Loan Amount (USD)</th></tr> <tr> <td>Senior Tranche</td><td>13,000,000</td></tr> <tr> <td>Junior Tranche</td><td>5,000,000</td></tr> </table>	Tranche	Loan Amount (USD)	Senior Tranche	13,000,000	Junior Tranche	5,000,000
Tranche	Loan Amount (USD)						
Senior Tranche	13,000,000						
Junior Tranche	5,000,000						
Availability period	Within 26 December 2024						
Final maturity	5 years after the drawdown for Senior Loan and 3 years after the drawdown for Junior Loan						
Repayment	<p>The Senior Loan Tranche shall be repaid in 20 quarterly installments, together with a balloon payment payable on the final maturity of the Loan.</p> <p>The Junior Loan Tranche shall be repaid in 12 quarterly installments.</p>						
Security	<p>a) Guarantee from the Guarantor</p> <p>b) 1st priority mortgage on the vessel for the Senior Tranche</p> <p>c) 2nd priority mortgage on the vessel for the Junior Tranche</p> <p>d) 1st priority assignment of all insurance and requisition compensation earnings and any charterparties (for a period of 12 months or more) of the Vessel</p>						

On 28 August 2024, the subsidiary completed the drawdown of the loan.

Facility 11

On 8 March 2024, the Company along with its subsidiaries, Precious Rubies Limited and Precious Opals Limited, as the Borrowers executed a USD 25.50 million term loan facility with the Export-Import Bank of Thailand. The purpose of the Loan Facility is to support the Borrowers' operations. The loan carries interest at SOFR plus margin which is to be paid quarterly.

The details of the loan facility are summarised as follows:

Facility	Description
Loan Facility	Up to USD 25,500,000
Drawdown	USD 25,500,000
Availability period	24 months from the date of the Loan Agreement
Final maturity	7 years after the drawdown
Repayment	The loan shall be repaid in 28 quarterly installments beginning from the end of the next quarter after the drawdown.
Security	a) 1 st priority mortgage on the Borrower's vessel b) Pledge of shares in the Borrowers c) 1 st priority assignment of all insurance and requisition compensation, earnings and any charterparties (for a period of 12 months or more) of the Borrower's vessels

The loan agreement contains covenants that, among other things, require the Company to maintain certain financial ratios on its consolidated USD financial statements which include:

- a) Maintenance of debts to total shareholders' equity ratio not exceeding 2:1;
- b) Maintenance of a minimum total shareholders' equity of USD 300,000,000;
- c) Maintenance of a minimum free cash balance of USD 200,000 per vessel;

Facility 12

On 27 September 2024, the Company and its subsidiary, Precious Stones Shipping Limited, as the Borrower, executed a USD 13.58 million term loan facility agreement with the Export-Import Bank of Thailand. The purpose of the Loan Facility is to finance the acquisition of a second-hand Handysize dry bulk carrier. The loan carries interest at SOFR plus margin, with repayment to be made quarterly.

The details of the loan facility are summarised as follows:

Facility	Description
Loan Facility	Up to USD 13,580,000
Drawdown	USD 13,580,000
Availability period	12 months from the date of the Loan Agreement
Final maturity	8 years after the drawdown
Repayment	The loan shall be repaid in 32 quarterly installments, together with a balloon payment payable on the final maturity of the loan.
Security	a) 1 st priority mortgage on the Borrower's vessel b) Pledge of shares in the Borrower c) 1 st priority assignment of all insurance and requisition compensation, earnings and any charterparties (for a period of 12 months or more) of the Borrower's vessel

The loan agreement contains covenants that, among other things, require the Company to maintain certain financial ratios on its consolidated USD financial statements which include:

- a) Maintenance of debts to total shareholders' equity ratio not exceeding 2:1;
- b) Maintenance of a minimum total shareholders' equity of USD 300,000,000;
- c) Maintenance of a minimum free cash balance of USD 200,000 per vessel;

Facility 13

On 11 October 2024, Precious Hibiscus Pte. Ltd., the Company's indirect subsidiary in Singapore as the Borrower and the Company as the Guarantor have executed a USD 13.50 million Senior Secured Amortizing Term Loan Agreement ("Agreement") with THE IYO BANK, LTD. Singapore Branch to finance one second-hand Handysize dry bulk carrier. The loan carries interest at SOFR plus margin which is to be paid quarterly.

The details of the loan facility are summarised as follows:

Facility	Description
Loan Facility	Up to USD 13,500,000
Drawdown	USD 13,500,000
Availability period	Within 29 November 2024
Final maturity	8 years after the drawdown
Repayment	The loan shall be repaid in 32 quarterly installments beginning from the end of the next quarter after the drawdown.
Security	a) Guarantee from the Guarantor b) 1 st priority mortgage on the Borrower's vessel c) 1 st priority assignment of all insurance and requisition compensation, earnings and any charterparties (for a period of 12 months or more) of the Borrower's vessel

The loan agreement contains covenants that, among other things, require the Company to maintain certain financial ratios on its consolidated USD financial statements which include:

- a) Maintenance of net debts to total shareholders' equity ratio not exceeding 2:1;
- b) Maintenance of a minimum total shareholders' equity of USD 225,000,000;
- c) Maintenance of a minimum free cash balance of USD 100,000.

On 24 October 2024, the subsidiary completed drawdown the loan.

As at 31 December 2023, the subsidiaries deposited USD 3.01 million (2024: nil) in the debt service reserve account (DSRA) in accordance with the terms of the loan facility. The required minimum balance for the DSRA is reviewed by the lenders once a year.

18. Debentures

As of 31 December 2024, details of the debentures on the consolidated and separate financial statements are as follows:

(Unit: Thousand Baht)						
Debenture series	Maturity date	No. of units (Thousand unit)	Par value (Baht)	Interest rate (% p.a.)	Term of interest payment	Carrying amount
1	18 October 2029	680	1,000	3.52	Semi - Annually	680,000
2*	18 October 2034	680	1,000	3.97	Semi - Annually	680,000
Total						1,360,000
Less: Deferred debenture issuing costs						(17,335)
Long-term debentures - net						1,342,665

* The issuer has the right to redeem the debenture before maturity.

These debentures are registered debentures, unsubordinated, and secured, with a debenture holders' representative. These debentures were offered via Private Placement to Institutional Investors and/or High Net Worth Investors ("PP-II & HNW").

The debenture agreement requires the Company to maintain a 'Net Interest Bearing Debt to Shareholders' Equity' ratio not exceeding 2:1 in its year-end THB consolidated financial statements.

The Reimbursement and Indemnity Agreement with the Guarantor requires the Company to maintain the following covenants based on its year-end consolidated USD financial statements:

- a) Maintenance of debt to tangible net worth ratio not exceeding 2:1;
- b) Maintenance of a minimum total tangible net worth of USD 300,000,000;
- c) Maintenance of a maximum total debt of USD 500,000,000;
- d) Maintenance of a minimum free cash balance of USD 200,000 per each vessel owned by the Group.

19. Leases

The Group as a lessee, has lease contracts for various assets used in its operations. Leases generally have lease terms between 5 to 8 years.

a) Right-of-use assets

Movements of right-of-use assets which are buildings for the years ended 31 December 2024 and 2023 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
As at 1 January 2023	15,633	13,956
Depreciation for the year	(6,121)	(4,771)
Translation adjustment	(55)	(60)
As at 31 December 2023	9,457	9,125
Addition	17,651	8,538
Depreciation for the year	(6,399)	(4,910)
Translation adjustment	113	99
As at 31 December 2024	20,822	12,852

b) Lease liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Lease payments	23,771	10,309	14,410	9,985
Less: Deferred interest expenses	(2,867)	(950)	(1,715)	(947)
Total	20,904	9,359	12,695	9,038
Less: Portion due within one year	(4,454)	(4,422)	(2,995)	(4,101)
Lease liabilities - net of current portion	16,450	4,937	9,700	4,937

Movements of the lease liability account for the years ended 31 December 2024 and 2023 are summarised below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Balance at beginning of year	9,359	14,770	9,038	13,213
Additions	20,636	-	9,961	-
Accretion of interest	(1,079)	(950)	(666)	(947)
Repayments	(8,992)	(7,172)	(6,826)	(5,672)
Translation adjustment	980	2,711	1,188	2,444
Balance at end of year	20,904	9,359	12,695	9,038

c) Expenses relating to leases that are recognised in income statement

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Depreciation expense of right-of-use assets	6,399	6,121	4,910	4,771
Interest expense on lease liabilities	1,079	783	666	722

20. Provision for maritime claims

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	2024	2023
Balance at beginning of year	42,037	55,434
Increase during the year	24,958	20,918
Decrease (including actual claims) during the year	(51,743)	(33,884)
Translation adjustment	710	(431)
Balance at end of year	15,962	42,037

21. Provision for long-term employee benefits

Provision for long-term employee benefits, which is compensation payable on employees' retirement, was as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Provision for long-term employee benefits				
at beginning of year	134,114	130,112	99,878	97,421
Included in income statement:				
Current service cost	6,398	7,183	3,906	4,464
Interest cost	2,712	2,899	1,887	2,006
Benefits paid during the year	-	(6,028)	-	(3,993)
Translation adjustment	34	(52)	24	(20)
Provision for long-term employee benefits				
at end of year	143,258	134,114	105,695	99,878

The Group expects to pay Baht 16.73 million of long-term employee benefits during the next year (The Company only: Baht 16.73 million) (2023: Baht 16.00 million (The Company only: Baht 10.17 million)).

As at 31 December 2024, the weighted average duration of the liabilities for long-term employee benefit is 5 years (The Company only: 5 years) (2023: 5 years (The Company only: 5 years)).

Significant actuarial assumptions are summarised below.

	(Unit: percent per annum)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Discount rate	2.80	2.80	2.80	2.80
Salary increase rate	3.50	3.50	3.50	3.50

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2024 and 2023 are summarised below.

(Unit: Thousand Baht)

	As at 31 December 2024			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(5,079)	5,657	(2,947)	3,277
Salary increase rate	6,256	(5,707)	3,566	(3,261)

(Unit: Thousand Baht)

	As at 31 December 2023			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(5,303)	5,906	(3,057)	3,399
Salary increase rate	6,532	(5,958)	3,699	(3,382)

22. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5% of its profit for the year after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution. At the present, the Company was set fully the statutory reserve aside.

According to Section 1202 of the Thai Civil and Commercial Code, the subsidiaries (incorporated under Thai Laws) are required to set aside a statutory reserve equal to at least 5% of its profit each time the company pays out a dividend, until such reserve reaches 10% of its registered share capital. The statutory reserve can neither be offset against deficit nor used for dividend payment. During 2024, the subsidiaries set the statutory reserve amounting to Baht 19 million (2023: Baht 23 million).

23. Corporate social responsibility (CSR) reserve

The Company has earmarked 0.5% of its profit for the year as a reserve towards CSR activities. The Company expects to earmark amounts based on the same percentage of profit annually on a cumulative basis, but subject to a minimum of Baht 1.75 million and a maximum of Baht 25.00 million per year. The reserve was approved by a meeting of the Board of Directors of the Company on 14 August 2008.

During 2024, the Company set aside Baht 7.34 million (2023: Baht 3.55 million) to a reserve for CSR activities and reversed Baht 6.93 million (2023: Baht 3.06 million) from the reserve when the Company made related payments against the reserve.

24. Finance cost

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Interest expense on borrowings	585,315	551,912	-	-
Interest expense on debentures	10,387	-	10,387	-
Interest expense on lease liabilities	1,079	783	667	722
Interest income from derivatives designated as hedging instruments in cash flow hedge	(72,209)	(102,662)	-	-
Others finance cost	36,112	30,564	11,684	-
Total	560,684	480,597	22,738	722

25. Expenses by nature

Significant expenses by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Salary, wages and other benefits of employees and crews	1,780,348	1,630,900	270,706	207,897

26. Income tax

The Company had no corporate income tax for 2024 and 2023 because it had tax losses after adding back certain expenses and provisions which are disallowed for tax computation purposes and less dividend income, which is tax-exempt.

Local subsidiaries

- a) In accordance with the Director - General's Notification on Income Tax No. 72 dated 20 March 1998, the local subsidiaries are exempted from the payment of income tax on their marine transportation income. In addition, the subsidiaries are exempted from the payment of income tax on their marine transportation business under the provisions of the Investment Promotion Act B.E. 2520.
- b) Corporate income tax for the year ended 31 December 2024 and 2023 has been calculated at a rate of 20% on net profit, after adding back certain expenses and provisions which are disallowed for tax computation purposes.

Overseas subsidiaries and associate

Corporate income tax of the overseas subsidiaries and associate has been calculated by applying the applicable statutory rates of the relevant countries.

As at 31 December 2024, the Group has deductible temporary differences, mainly arising from exchange difference occurring while translating financial statements in functional currency into presentation currency and unused tax losses totaling Baht 3,856.85 million (2023: Baht 4,145.54 million) (The Company only: Baht 1,601.90 million (2023: Baht 1,495.14 million)). However, the Group did not recognise deferred tax assets because the Group has been granted certain promotional privileges under the Director-General's notification and the provisions of the Investment Promotion Act for their marine transportation business. Hence, the Group believes that the deferred tax assets will not be utilised in the future.

Details of expiry date of unused tax losses are summarised as below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
31 December 2024	-	550,701	-	-
31 December 2025	820,031	820,031	-	-
31 December 2026	412,665	412,665	-	-
31 December 2027	515,090	515,090	172,758	172,758
31 December 2028	227,575	227,575	187,756	187,756
31 December 2029	119,460	-	104,190	-
	<u>2,094,821</u>	<u>2,526,062</u>	<u>464,704</u>	<u>360,514</u>

As at 31 December 2024, Precious Shipping (Singapore) Pte. Limited (“PSSP”), an overseas subsidiary, has unused tax losses totaling Baht 37.32 million (2023: Baht 44.52 million). The Inland Revenue Authority of Singapore (IRAS) rules stipulate that unused tax losses have no expiry date.

As at 31 December 2024, the Group has a temporary difference arising from an investment in associate held by a subsidiary under which a deferred tax liability has been recognised in the aggregate amount of Baht 1.70 million (2023: Baht 1.80 million).

27. Promotional privileges

The Company has been granted promotional privileges under the Investment Promotion Act, as approved by the Board of Investment under BOI certificate No. 1405/2550 dated 23 March 2007. Subject to certain imposed conditions, the significant privileges are the rights to employ skilled foreigners to work within the scope of duties approved by the Board of Investment and for the period for which they are permitted to stay in Thailand, permission to own land in an amount considered appropriate by the Board of Investment, and permission to transfer funds in or out of Thailand in foreign currencies.

Under the provisions of the Investment Promotion Act B.E. 2520, the local subsidiaries were granted certain promotional privileges for their marine transportation business. The promotional privileges include, among other things, exemption from the payment of income tax for a period of 8 years commencing as from the date of first earning operating income on the condition that the vessels owned by the subsidiaries are registered in Thailand. During the year ended 31 December 2024, the subsidiaries have 4 vessels (2023: 5 vessels) under investment promotion operations.

Revenues and expenses for 2024 and 2023 classified between promoted and non-promoted operations can be summarised below.

(Unit: Thousand Baht)

	Non-promoted operations									
	Operations exempted from									
	corporate income tax									
	in accordance with the									
	Promoted operations		Director-General's Notification on Income Tax No. 72		Other non-promoted operations		Eliminations		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Revenues	466,791	665,966	2,366,251	2,007,495	4,823,025	3,486,724	(1,368,627)	(945,991)	6,287,440	5,214,194
Costs and expenses	(372,437)	(529,595)	(1,660,998)	(1,777,298)	(2,989,413)	(3,212,717)	203,692	1,015,018	(4,819,156)	(4,504,592)

28. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to the equity holder of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

29. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The Group's operations involve the business of owning and internationally operating Handysize, Supramax and Ultramax dry bulk vessels on a tramp shipping basis (i.e. without any set routes). This is the main industry segment that the Company operates in and almost all revenues are derived from it. As such, no segmental bifurcation is applicable since the operations are almost entirely limited to this one main segment.

The business activity in the segment, i.e. the chartering of the vessels, is undertaken in two ways, viz., Time charter and Voyage charter. Under Time charter, the charterer (customer) pays charter hire (at an agreed daily rate, almost always in US Dollars) to operate the vessel for an agreed time period. In this case, the charterer bears all voyage expenses including port disbursements and costs of bunker fuel. Under Voyage charter, the charterer pays freight on a per ton basis (almost always in US Dollars) to transport a particular cargo between two or more designated ports. In this case, the Group bears all the voyage expenses. The voyage expenses are presented in the financial statements as voyage disbursements and bunker consumption. Under Time charter, the vessel routes are determined or controlled exclusively by the charterers and under Voyage charters, the route varies from time to time for each voyage, which is determined by a number of factors which are totally beyond the Groups' control. As such, reporting by geographical segments would not be practical or meaningful, and could in fact be misleading.

In view of the above, segment information is limited to the bifurcation of the total vessel operating income (and voyage expenses in respect of Voyage charter) derived from Time charter and Voyage charter presented as "Time charter income" and "Voyage charter income" respectively.

The following table presents net vessel operating income from Time charter and Voyage charter of the Group for the years ended 31 December 2024 and 2023.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Time charter		Voyage charter		Total	
	2024	2023	2024	2023	2024	2023
Time charter income	5,905,243	5,016,038	-	-	5,905,243	5,016,038
Voyage charter income	-	-	74,862	78,619	74,862	78,619
Total vessel operating income	5,905,243	5,016,038	74,862	78,619	5,980,105	5,094,657
Voyage disbursements	-	-	(40,160)	(35,194)	(40,160)	(35,194)
Bunker consumption	-	-	(23,789)	(30,289)	(23,789)	(30,289)
Total voyage expenses	-	-	(63,949)	(65,483)	(63,949)	(65,483)
Net vessel operating income/ time charter equivalent income	5,905,243	5,016,038	10,913	13,136	5,916,156	5,029,174

During 2024, the Group has revenues from 2 major customers (2023: 2 major customers) in the aggregate amount of Baht 1,783.73 million (2023: Baht 1,614.47 million).

30. Provident Fund

The Group and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Group contributed to the fund monthly at the rate of 5% of basic salary. For employees, the maximum allowable contribution has been increased from 5% to 15% of basic salary. The fund, which is managed by Kasikornbank Public Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2024 amounting to approximately Baht 5.97 million (2023: Baht 5.74 million) were recognised as expenses. (The Company only: Baht 2.81 million (2023: Baht 2.63 million)).

31. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Final dividends for 2022	The Annual General Meeting of Shareholders for 2023 on 10 April 2023	389.79	0.25
Interim dividends for 2023	The Company's Board of Directors meeting on 15 May 2023	77.96	0.05
Interim dividends for 2023	The Company's Board of Directors meeting on 11 August 2023	77.96	0.05
Interim dividends for 2023	The Company's Board of Directors meeting on 10 November 2023	77.95	0.05
Total dividends for 2023		623.66	0.40

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Interim dividends for 2023	The Company's Board of Directors meeting on 12 February 2024	77.96	0.05
Final dividends for 2023	The Annual General Meeting of Shareholders for 2024 on 5 April 2024	77.93	0.05
Interim dividends for 2024	The Company's Board of Directors meeting on 10 May 2024	155.92	0.10
Interim dividends for 2024	The Company's Board of Directors meeting on 9 August 2024	155.48	0.10
Interim dividends for 2024	The Company's Board of Directors meeting on 8 November 2024	156.35	0.10
Total dividends for 2024		623.64	0.40

32. Commitments and contingent liabilities

32.1 Capital commitments

As at 31 December 2024, the Company had future minimum payment commitments under shipbuilding contracts for a total of 4 vessels, amounting to USD 123.20 million (2023: nil). The advances for vessel constructions have been made as detailed in Note 14 to the financial statements.

32.2 Contingent liabilities

In August 2021, Precious Visions Pte. Ltd. (the "Subsidiary"), the owner of M.V. Chayanee Naree (the "Vessel"), signed a voyage charter contract with a charterer to load 46,000 metric tons (MTS) of bulk sugar from Santos, Brazil for discharge in Lagos, Nigeria. While cargo loading was on-going, several bags of drugs were uncovered inside cargo hold #1 of the Vessel. The Brazilian authorities conducted a thorough investigation and concluded that none of our crew members were involved in or assisted in the smuggling of drugs and so they permitted the Vessel to sail out without pressing any charges on any crew members and/or the Subsidiary.

When the Vessel arrived in Lagos, Nigeria, the Nigerian authorities uncovered a single bag of drugs in cargo hold #1 of the Vessel, which evidently, had not been uncovered by the Brazilian authorities. The Vessel was detained, and three of its' senior most crew members, the Captain, Chief Engineer, and Chief Officer, were held in a detention facility for over a month. Subsequently, the National Drug Law Enforcement Agency (NDLEA) of Nigeria charged ten of the vessel's crew and the Vessel with alleged unlawful transport of drugs.

In early 2022, the Subsidiary's insurers issued Letters of Undertaking ("LOUs") to the NDLEA as security for the release of the Vessel and the crew members who had not been charged. Additionally, the Subsidiary signed a USD 5 million LOUs to facilitate the Vessel's release and entered into an Escrow Account Agreement with the NDLEA, providing USD 1 million as security for the administrative bail of the ten charged crew members.

The Vessel and crew who had not been charged were permitted to depart from Nigeria in May 2022. However, the ten crew members who had been charged were required to remain in Nigeria until the completion of legal proceedings.

In the second quarter of 2022, the Subsidiary received USD 1.42 million in insurance proceeds for expenses incurred during Chayanee Naree's detention.

In July 2022, the trial against the Vessel and its 10 crew members began in the Federal High Court of Nigeria, Lagos. A hearing in July 2023 concluded the prosecution witness testimony, after which the Group's legal counsel filed 'no-case' submissions, arguing insufficient evidence to proceed. On 20 February 2024, the Court rejected the no-case submissions, ruling that the defendants must present their defense due to the drugs found on board the Vessel. The defense trial commenced with a three-day hearing from 8 - 10 October 2024, featuring two witnesses and submitted documents. The next Court hearings have been rescheduled from January 2025 to 5 - 7 March 2025. Meanwhile, on 4 March 2024, the Group's legal team filed an appeal against the no-case ruling, which will be considered by a panel of three independent judges. Currently, it is under consideration by a panel judges.

Based on the opinion of the Group's legal counsel and its legal counsel, the Company's management believes that it is premature at this stage to reliably estimate the amount of liability (if any) and therefore, no provisions have been made in respect of this case.

33. Fair value hierarchy

As at 31 December 2024 and 2023, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	As at 31 December 2024			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Derivatives				
Interest rate swaps contracts - Loans	-	92,670	-	92,670
Financial assets measured at fair value through other comprehensive income				
Investment in debt instruments				
Debenture	-	82,242	-	82,242
Investment in equity instruments				
Listed company	275,971	-	-	275,971
Non-listed company	-	-	22,343	22,343

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	As at 31 December 2023			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Derivatives				
Interest rate swaps contracts - Loans	-	125,921	-	125,921
Financial assets measured at fair value through other comprehensive income				
Investment in debt instruments				
Debenture	-	95,110	-	95,110
Investment in equity instruments of				
Listed company	55,595	-	-	55,595
non-listed company	-	-	21,175	21,175

Liabilities measured at fair value

Derivatives				
Forward freight agreements	-	19,514	-	19,514

(Unit: Thousand Baht)

Separate financial statements				
As at 31 December 2024				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at fair value through other comprehensive income				
Investment in equity instrument of non-listed company	-	-	22,343	22,343

(Unit: Thousand Baht)

Separate financial statements				
As at 31 December 2023				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at fair value through other comprehensive income				
Investment in equity instrument of non-listed company	-	-	21,175	21,175

During 2024, there were no change in the methods and assumptions used by the Group in estimating the fair value of financial instruments and no transfers within the fair value hierarchy.

34. Financial instruments

34.1 Derivatives and hedge accounting

(Unit: Thousand Baht)			
Consolidated		Separate	
financial statements		financial statements	
2024	2023	2024	2023
Derivative assets			
Derivative assets designated as hedging instruments			
Interest rate swaps contracts - Loans	92,670	125,921	-
Total derivative assets	<u>92,670</u>	<u>125,921</u>	<u>-</u>
Derivative liabilities			
Derivative liabilities not designated as hedging instruments			
Forward freight agreements	-	19,514	-
Total derivative liabilities	<u>-</u>	<u>19,514</u>	<u>-</u>

Derivatives not designated as hedging instruments

Forward freight agreements

During 2023, the Subsidiary in Singapore, Precious Shipping (Singapore) Pte. Limited (“PSSP”) entered into certain forward freight agreements to partly manage risks of freight rate volatility. As of 31 December 2023, had sold 145 days of Baltic Supramax Index on the first quarter of 2024 paper forward at freight rates of between USD 9,800 to 11,750 per day (31 December 2024: nil).

Derivatives designated as hedging instruments

Cash flow hedges

Interest rate risk

Interest rate swaps as hedging instruments to hedge cash flows on variable rate loans. The Group receives a variable rate at SOFR plus margin of interest to offset credit risk and pays interest at a fixed-rate. These are defined as a hedge of interest rate risk.

There is an economic relationship between the hedged items and the hedging instruments as the terms of the interest rate swaps contracts match the terms of loan (i.e., notional amount, the maturity, and payment dates). The Group has established a hedge ratio of 1:1 as the underlying risk of the interest rate swap is identical to the hedged risk component.

To test the hedge effectiveness, the Group uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in cash flow of the hedged items attributable to the hedged risks.

Hedge ineffectiveness can arise from:

- Differences in the interest rate curves applied to discount the hedged item and hedging instrument
- Differences in the timing of the cash flows of the hedged items and the hedging instruments
- Changes to the forecasted amount of cash flows of hedged items and hedging instruments

The Group held the following derivatives as hedging instruments as at 31 December 2024 and 2023:

	Maturity							
	Less than 1 year		1 - 5 years		Over 5 years		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
Interest rate swaps								
Notional amount								
(Thousand USD)	10,336	9,214	34,527	40,868	-	3,995	44,863	54,077
Average fixed rate (%)	4.59 - 4.75	4.59 - 4.75	4.59 - 4.75	4.59 - 4.75	-	4.59 - 4.75	4.59 - 4.75	4.59 - 4.75

The impact of hedged items on the consolidated statement of financial position as at 31 December 2024 and 2023 is as follows:

	(Unit: Thousand Baht)					
	Change in fair value used		Cash flow hedge reserve			
	for measuring ineffectiveness		Continuing hedges		Discontinued hedges	
	2024	2023	2024	2023	2024	2023
Loans - Interest rate swaps contracts	(33,251)	(148,941)	(32,693)	(57,765)	-	(83,756)

The impact of the hedging instruments on the consolidated statement of financial position as at 31 December 2024 and 2023 and the effect of the cash flow hedge in the consolidated statements of comprehensive income for the years ended 31 December 2024 and 2023 are as follows:

(Unit: Thousand Baht)

As at 31 December 2024									
	Notional amounts	Carrying amount	Line item in the financial position	Changes in fair value used for measuring ineffectiveness	Effectiveness recognised in other comprehensive income	Ineffectiveness recognised in income statement	Line item in income statement	Amount of cash flow hedge reserve reclassified to income statement	Line item in income statement
Interest rate swaps - hedge the risk arising from loans	USD 75,489 thousand	1,524,799	Non-current derivative assets	(33,251)	(32,693)	-	-	579	Finance cost
Total				(33,251)	(32,693)	-		579	

As at 31 December 2023									
	Notional amounts	Carrying amount	Line item in the financial position	Changes in fair value used for measuring ineffectiveness	Effectiveness recognised in other comprehensive income	Ineffectiveness recognised in income statement	Line item in income statement	Amount of cash flow hedge reserve reclassified to income statement	Line item in income statement
Interest rate swaps - hedge the risk arising from loans	USD 75,489 thousand	1,850,693	Non-current derivative assets	(58,568)	(57,765)	-	-	(445)	Finance cost
Total				(58,568)	(57,765)	-		(445)	

(Unit: Thousand Baht)

34.2 Financial risk management

The Group's financial instruments principally comprise cash and cash equivalents, trade receivables, investments, trade and other payables, lease liabilities and loans or borrowings. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to deposits with banks and financial institutions, trade receivables, loans to and other financial instruments. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Trade receivables

The Group is exposed to credit risk primarily with respect to trade receivables. The Group manages the risk by adopting a credit policy whereby they evaluate the creditworthiness of charterers and other parties and restricts dealings to financially sound parties, and strictly attend to the preparation and completeness of documentation and therefore do not expect to incur material financial losses. In addition, the Group does not have high concentration of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of receivables as stated in the statement of financial position.

Financial instruments and cash deposits

The credit risk on cash deposits and derivatives of the Group is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Market risk

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash at banks, loans to subsidiary, financial assets, long-term loans, debentures and lease liabilities. The management mitigates part of its interest rate risk by using interest rate swaps contracts as hedging instruments to hedge cash flows on variable rate loans, as described in Note 34.1 to the financial statements. The interest rate risk is expected to be minimal.

As at 31 December 2024 and 2023, significant financial assets and liabilities classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Thousand Baht)

Consolidated financial statements										
As at 31 December 2024										
	Fixed interest rate			Floating			Interest rate (% p.a.)			
	Within	1 - 5	Over	interest	Non-interest	Total	Fixed		Floating	
	1 year	years	5 years	rate	bearing		USD	Baht	SGD and USD	Baht
<u>Financial assets</u>										
Cash and cash equivalents	355,957	-	-	1,546,957	263,074	2,165,988	4.00 - 5.80	-	0.04 - 3.00	0.15 - 1.70
Trade and other receivables	-	-	-	-	404,781	404,781	-	-	-	-
Other current financial assets	89,040	-	-	-	-	89,040	0.21 - 5.25	-	-	-
Other non-current financial assets	-	-	-	-	298,314	298,314	-	-	-	-
Total	444,997	-	-	1,546,957	966,169	2,958,123				
<u>Financial liabilities</u>										
Trade and other payables	-	-	-	-	608,458	608,458	-	-	-	-
Long-term loans	343,706	1,161,502	-	5,611,521	-	7,116,729	7.82	-	6.62 - 8.17	-
Debentures	-	671,423	671,242	-	-	1,342,665	-	3.52 - 3.97	-	-
Lease liabilities	4,454	16,450	-	-	-	20,904	-	5.28 - 6.12	-	-
Total	348,160	1,849,375	671,242	5,611,521	608,458	9,088,756				

(Unit: Thousand Baht)

Consolidated financial statements										
As at 31 December 2023										
	Fixed interest rate			Floating			Interest rate (% p.a.)			
	Within	1 - 5	Over	interest	Non-interest	Total				
	1 year	years	5 years	rate	bearing	Total	Fixed		Floating	
							USD	Baht	SGD and USD	Baht
<u>Financial assets</u>										
Cash and cash equivalents	785,118	-	-	1,250,082	279,785	2,314,985	4.00 - 5.80	-	0.04 - 5.80	0.15 - 0.55
Trade and other receivables	-	-	-	-	295,394	295,394	-	-	-	-
Other current financial										
assets	95,110	-	-	-	-	95,110	0.12 - 2.12	-	-	-
Restricted bank deposits	-	102,961	-	-	-	102,961	2.75	-	-	-
Other non-current										
financial assets	-	-	-	-	76,770	76,770	-	-	-	-
Total	880,228	102,961	-	1,250,082	651,949	2,885,220				
<u>Financial liabilities</u>										
Trade and other payables	-	-	-	-	403,196	403,196	-	-	-	-
Long-term loans	306,286	1,379,170	161,353	5,479,553	-	7,326,362	8.82	-	7.39 - 8.78	-
Lease liabilities	4,422	4,937	-	-	-	9,359	-	5.28 - 5.53	-	-
Total	310,708	1,384,107	161,353	5,479,553	403,196	7,738,917				

(Unit: Thousand Baht)

Separate financial statements										
As at 31 December 2024										
	Fixed interest rate			Floating			Interest rate (% p.a.)			
	Within	1 - 5	Over	interest	Non-interest	Total				
	1 year	years	5 years	rate	bearing					
	Fixed		Floating							
USD		Baht		USD		Baht				
<u>Financial assets</u>										
Cash and cash equivalents	272,203	-	-	1,193,515	3,502	1,469,220	4.00	-	0.04 - 3.00	0.15 - 1.70
Trade and other receivables	-	-	-	-	3,892,712	3,892,712	-	-	-	-
Long-term loans to subsidiary	13,843	660,964	-	-	-	674,807	5.00	-	-	-
Other non-current										
financial assets	-	-	-	-	22,343	22,343	-	-	-	-
Total	286,046	660,964	-	1,193,515	3,918,557	6,059,082				
<u>Financial liabilities</u>										
Trade and other payables	-	-	-	-	2,244,019	2,244,019	-	-	-	-
Debentures	-	671,423	671,242	-	-	1,342,665	-	3.52 - 3.97	-	-
Lease liabilities	2,995	9,700	-	-	-	12,695	-	5.28 - 6.12	-	-
Total	2,995	681,123	671,242	-	2,244,019	3,599,379				

(Unit: Thousand Baht)

Separate financial statements										
As at 31 December 2023										
	Fixed interest rate			Floating		Total	Interest rate (% p.a.)			
	Within	1 - 5	Over	interest	Non-interest		Fixed		Floating	
	1 year	years	5 years	rate	bearing		USD	Baht	USD	Baht
<u>Financial assets</u>										
Cash and cash equivalents	188,525	-	-	855,974	5,596	1,050,095	4.00	-	0.04 - 3.00	0.15 - 0.55
Trade and other receivables	-	-	-	-	2,373,079	2,373,079	-	-	-	-
Short-term loans to subsidiary	-	-	-	-	23,000	23,000	-	-	-	-
Long-term loans to subsidiary	98,018	407,324	272,157	-	-	777,499	5.00	-	-	-
Other non-current financial assets	-	-	-	-	21,175	21,175	-	-	-	-
Total	286,543	407,324	272,157	855,974	2,422,850	4,244,848				
<u>Financial liabilities</u>										
Trade and other payables	-	-	-	-	1,464,063	1,464,063	-	-	-	-
Lease liabilities	4,101	4,937	-	-	-	9,038	-	5.28 - 5.53	-	-
Total	4,101	4,937	-	-	1,464,063	1,473,101				

Interest rate sensitivity

The following table demonstrates the sensitivity of the Group's income statement to a reasonably possible change in interest rates on that portion of the floating rate long-term loans from affected and equity changes as a result of an increase or decrease in the fair value of the cash flow hedges of interest rate swaps contracts as at 31 December 2024 and 2023, with all other variables held constant.

	Increase/ decrease (%)	2024		2023	
		Effect on		Effect on	
		income statement	Effect on equity	income statement	Effect on equity
		(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
US Dollars borrowing	+1	(55,785)	30,024	(36,858)	45,960
	-1	55,785	(30,024)	36,858	(45,960)

The above analysis has been prepared assuming that the amounts of the floating rate long-term loans from and all other variables remain constant over one year. Moreover, the floating legs of these long-term loans are assumed to not yet have set interest rates. As a result, a change in interest rates affects interest receivable/payable for the full 12-month period of the sensitivity calculation. This information is not a forecast or prediction of future market conditions and should be used with care.

Foreign currency risk

Almost all revenues and expenditures of the Group is denominated in US Dollars, which provide a natural hedge against the currency risk associated with transactions in US Dollars. Consequently, the Group is exposed to a currency risk in respect of financial instruments denominated in other currencies. However, the Group's management has decided to maintain an open position with regard to this exposure but endeavors to limit this exposure to the minimum possible amounts by not holding significant amounts of financial instruments denominated in other currencies or use derivative instruments, as and when it considers appropriate, to manage such risks.

As of 31 December 2024 and 2023, The Group has the following significant financial assets and liabilities denominated in foreign currencies (currencies other than US Dollars which is the Group's functional currency).

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	2024	2023	2024	2023	2024	2023
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
Thai Baht	1,437	150	1,354	9	0.0294	0.0292

The Group's exposure to change in foreign currency exchange rates for all other currencies is not material on the Group's income statement and equity.

Liquidity risk

The Group manages liquidity risk by spreading out debt maturities, raising debt that is both amortising and non-amortising, maintaining sufficient cash reserves, tightly controlling operating costs, ensuring adequate insurance cover, limiting single counterparty exposure to not more than 25% of revenues and limiting exposure to the short-term market through fixing ships on long term charters. Approximately 22% of the Group's debts will mature in less than one year as of 31 December 2024 (2023: 28%) based on the carrying value of borrowings reflected in the financial statements. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 31 December 2024 and 2023 based on contractual undiscounted cash flows:

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	As at 31 December 2024			
	Less than 1 year	1 - 5 years	Over 5 years	Total
Non-derivatives				
Trade and other payables	340,371	-	-	340,371
Long-term loans	1,834,637	6,316,079	424,894	8,575,610
Debentures	-	928,650	808,907	1,737,557
Lease liabilities	5,553	18,218	-	23,771
Total non-derivatives	2,180,561	7,262,947	1,233,801	10,677,309
Derivatives				
Derivative assets	-	92,670	-	92,670
Total derivatives	-	92,670	-	92,670

(Unit: Thousand Baht)

Consolidated financial statements				
As at 31 December 2023				
	Less than 1 year	1 - 5 years	Over 5 years	Total
Non-derivatives				
Trade and other payables	403,196	-	-	403,196
Long-term loans	2,259,521	5,956,466	704,511	8,920,498
Lease liabilities	4,719	5,590	-	10,309
Total non-derivatives	2,667,436	5,962,056	704,511	9,334,003
Derivatives				
Derivative liabilities	19,514	-	-	19,514
Total derivatives	19,514	-	-	19,514

(Unit: Thousand Baht)

Separate financial statements					
As at 31 December 2024					
	On demand	Less than 1 year	1 - 5 Years	Over 5 Years	Total
Non-derivatives					
Trade and other payables	-	211,997	-	-	211,997
Debentures	-	-	928,650	808,907	1,737,557
Lease liabilities	-	3,681	10,730	-	14,411
Advances received from related parties	1,882,163	-	-	-	1,882,163
Total non-derivatives	1,882,163	215,678	939,380	808,907	3,846,128

(Unit: Thousand Baht)

Separate financial statements				
As at 31 December 2023				
	On demand	Less than 1 year	1 - 5 years	Total
Non-derivatives				
Trade and other payables	1,342,582	121,481	-	1,464,063
Lease liabilities	-	4,395	5,590	9,985
Total non-derivatives	1,342,582	125,876	5,590	1,474,048

34.3 Fair values of financial instruments

Since the majority of the Group's financial assets and liabilities are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

34.4 Reconciliation of recurring fair value measurements of assets categorised within Level 3 of the fair value hierarchy

	(Unit: Thousand Baht) Consolidated/Separate financial statements
Investment in equity instrument of non-listed company	
Balance as of 1 January 2023	18,100
Net gain recognised into other comprehensive income	3,253
Translation adjustment	(178)
Balance as of 31 December 2023	21,175
Net gain recognised into other comprehensive income	1,314
Translation adjustment	(146)
Balance as of 31 December 2024	22,343

35. Capital management

The primary objective of the Group's capital management is to ensure that it has an appropriate capital structure in order to support its business and maximise shareholder value and it meets financial covenants attached to the loan agreements. The Group has complied with these covenants throughout the reporting periods.

The Group manages its capital position with reference to its debt-to-equity ratio also to comply with a condition in the long-term loan agreements, which require the Group to maintain a consolidated debt-to-equity ratio of not more than 2:1.

As at 31 December 2024, the Group's debt-to-equity ratio was 0.55:1 (2023: 0.50:1) and for the Company's was 0.35:1 (2023: 0.16:1) which is calculated from USD functional currency financial statements.

36. Functional currency financial statements

The USD functional currency statements of financial position as at 31 December 2024 and 2023 and income statements for the years ended 31 December 2024 and 2023 are as follows:

Precious Shipping Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2024

(Unit: Thousand USD)

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Assets				
Current assets				
Cash and cash equivalents	63,728	67,643	43,228	30,684
Trade and other receivables	11,909	8,631	114,532	69,341
Short-term loans to a subsidiary	-	-	-	649
Bunker oil	430	881	-	-
Other current financial assets	2,620	2,779	-	-
Other current assets				
Advances to vessel masters	975	1,045	-	-
Claim recoverables	31	-	-	-
Lube oil stock on board	2,034	2,477	-	-
Others	1,190	1,001	525	360
Total other current assets	4,230	4,523	525	360
Total current assets	82,917	84,457	158,285	101,034
Non-current assets				
Restricted bank deposits	-	3,009	-	-
Long-term loans to a subsidiary	-	-	19,854	22,718
Derivative assets	2,727	3,679	-	-
Other non-current financial assets	8,777	2,243	658	619
Investments in subsidiaries	-	-	229,625	222,693
Investment in associate held by a subsidiary	2,371	2,389	-	-
Property, plant and equipment	656,946	608,813	437	216
Right-of-use assets	613	276	378	267
Intangible assets	90	120	76	114
Other non-current assets				
Claim recoverables - maritime claim	1,253	1,751	-	-
Advances for vessels construction	10,259	-	10,259	-
Deferred contract costs	2,628	3,183	-	-
Deferred financial fees	2,426	1,372	2,231	1,089
Others	99	89	75	70
Total other non-current assets	16,665	6,395	12,565	1,159
Total non-current assets	688,189	626,924	263,593	247,786
Total assets	771,106	711,381	421,878	348,820

Precious Shipping Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2024

(Unit: Thousand USD)

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Liabilities and shareholders' equity				
Current liabilities				
Trade and other payables				
Trade and other payables	10,014	1,820	6,237	52
Advances received from related parties	-	-	56,132	39,230
Accrued crew accounts	454	2,858	-	-
Accrued expenses	2,840	2,157	458	31
Current portion of accrued employee benefits	4,594	4,946	3,197	3,467
Total trade and other payables	17,902	11,781	66,024	42,780
Advances received from charterers	645	1,287	-	-
Current portion of long-term loans	41,045	52,110	-	-
Current portion of lease liabilities	131	129	88	120
Derivative liabilities	-	570	-	-
Income tax payable	31	65	-	-
Other current liabilities	675	635	501	451
Total current liabilities	60,429	66,577	66,613	43,351
Non-current liabilities				
Accrued employee benefits - net of current portion	1,446	2,796	1,003	1,969
Long-term loans - net of current portion	168,345	161,965	-	-
Debentures	39,319	-	39,319	-
Lease liabilities - net of current portion	484	144	285	144
Deferred tax liabilities	50	53	-	-
Provision for maritime claims	470	1,228	-	-
Provision for long-term employee benefits	4,215	3,919	3,110	2,918
Total non-current liabilities	214,329	170,105	43,717	5,031
Total liabilities	274,758	236,682	110,330	48,382
Shareholders' equity				
Share capital				
Registered share capital	51,055	51,055	51,055	51,055
Issued and paid-up share capital	51,055	51,055	51,055	51,055
Paid-in capital				
Premium on ordinary shares	63,290	63,290	63,290	63,290
Premium on treasury stock	4,819	4,819	4,819	4,819
Retained earnings				
Appropriated				
Statutory reserve - the Company	4,372	4,372	4,372	4,372
- subsidiaries	14,021	13,479	-	-
Corporate social responsibility reserve	1,704	1,713	1,704	1,713
Unappropriated	357,721	334,505	186,218	175,138
Other components of shareholders' equity	(635)	1,465	90	51
Equity attributable to owners of the Company	496,347	474,698	311,548	300,438
Non-controlling interests of the subsidiaries	1	1	-	-
Total shareholders' equity	496,348	474,699	311,548	300,438
Total liabilities and shareholders' equity	771,106	711,381	421,878	348,820

Precious Shipping Public Company Limited and its subsidiaries

Income statement

For the year ended 31 December 2024

(Unit: Thousand USD, except basis earnings per share expressed in USD)

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Revenues				
Vessel operating income				
Time charter income	167,654	144,130	-	-
Voyage charter income	2,163	2,278	-	-
Total vessel operating income	169,817	146,408	-	-
Service income	149	139	3,738	3,206
Interest income	2,276	1,272	1,806	1,298
Dividend income	166	14	33,093	20,884
Gains on disposal of vessels and equipment	4,019	-	-	-
Gains on liquidation of subsidiaries	-	-	-	16
Gains on derivatives	250	1,018	-	-
Gains on other financial assets	100	-	-	-
Exchange gains	917	364	526	-
Other income	98	21	80	20
Total revenues	177,792	149,236	39,243	25,424
Expenses				
Vessel operating costs				
Vessel running expenses	59,803	60,239	-	-
Voyage disbursements	1,153	1,018	-	-
Bunker consumption	685	878	-	-
Total vessel operating costs	61,641	62,135	-	-
Depreciation	43,313	41,060	272	232
Cost of services	186	161	-	-
Administrative expenses	12,483	9,604	6,424	4,741
Management remuneration including perquisites	3,353	2,628	3,246	2,548
Losses on capital reduction of subsidiary	-	-	-	700
Losses on impairment of investment in subsidiaries	-	-	-	8,105
Exchange losses	-	-	-	59
Total expenses	120,976	115,588	9,942	16,385
Operating profit	56,816	33,648	29,301	9,039
Share of profit from investment in associate				
held by a subsidiary	581	606	-	-
Finance cost	(15,962)	(13,801)	(668)	(21)
Profit before income tax expenses	41,435	20,453	28,633	9,018
Income tax expenses	(123)	(102)	-	-
Profit for the year	41,312	20,351	28,633	9,018
Profit attributable to:				
Equity holders of the Company	41,312	20,351	28,633	9,018
Non-controlling interests of the subsidiaries	-	-	-	-
Profit for the year	41,312	20,351	28,633	9,018
Basic earnings per share				
Profit attributable to equity holders of the Company	0.0265	0.0131	0.0184	0.0058

37. Events after the reporting period

In January 2025, Bongkot Holdings Limited ("Subsidiary") increased its investment in V.L. Enterprise Public Company Limited by acquiring additional shares on the Stock Exchange of Thailand. Currently, the total ownership was approximately 20% in such company.

On 10 February 2025, the Company's Board of Directors' meeting passed the resolutions to pay a final dividend for the year 2024 of Baht 0.10 per share, or a total of Baht 155.93 million, to the shareholders in respect of the Company's retained earnings as of 31 December 2024. Such dividend will be paid and recorded after it is approved by the 2025 Annual General Meeting of the Company's shareholders.

On 10 February 2025, the Board of Directors of the Company approved a share repurchase scheme for the purpose of the financial management of the Company's surplus liquidity. The details are as follows:

- a) The maximum amount for the share repurchase in aggregate is not more than Baht 675.00 million.
- b) The Number of shares to be repurchased is up to 155,929,186 shares (at par value of Baht 1 per share), representing up to 10% of the total paid-up capital.
- c) The repurchase period will be from 3 March 2025 to 29 August 2025.

38. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 10 February 2025.

ENCLOSURE 1

INFORMATION ON RELEVANT PERSONS IN THE ORGANISATION



THE BOARD OF DIRECTORS



Mr. Chaipatr Srivisarvacha

- Chairman of the Board of Directors
- Independent Director



Mr. Kamtorn Sila-On

- Chairman of Audit and Corporate Governance Committee
- Sustainability and Risk Management Committee Member
- Independent Director



Ms. Pensri Suteerasarn

- Chairperson of the Nomination and Remuneration Committee
- Audit and Corporate Governance Committee Member
- Sustainability and Risk Management Committee Member
- Independent Director



Professor Dr. Pavida Pananond

- Chairperson of Sustainability and Risk Management Committee
- Audit and Corporate Governance Committee Member
- Independent Director



Ms. Qiyu (Jackie) Wang

- Nomination and Remuneration Committee Member
- Sustainability and Risk Management Committee Member
- Independent Director



Mr. Khalid Moinuddin Hashim

- Executive Director
- Managing Director
- Sustainability and Risk Management Committee Member
- Director



Mr. Kirit Shah

- Nomination and Remuneration Committee Member
- Director



Mr. Gautam Khurana

- Executive Director
- Director



Mr. Khushroo Kali Wadia

- Director



Ms. Nishita Shah

- Director



Mr. Ishaan Shah

- Director



Ms. Sirasa Supawasin

- Director

BOARD OF DIRECTORS - PROFILE

MR. CHAIPATR SRIVISARVACHA

POSITION	Chairman of the Board of Directors / Independent Director
DATE OF APPOINTMENT ON THE BOARD	14 March 2011
AGE	65 years
EDUCATION	
• 1984	Illinois Benedictine College, MBA (Finance).
• 1981	Lehigh University, Bachelor of Science (Metallurgy).
TRAINING	
• 2017	Certificate, Advanced Audit Committee Program, Class 25/2017, Thai Institute of Directors Association (IOD), March 2017
• 2015	Certificate, Corporate Governance for Capital Market Intermediaries 3/2015, Thai Institute of Directors Association (IOD)
• 2015	Certificate, CMA-GMS 1, Capital Market Academy Executive Education 27 March - 12 April 2015, The Stock Exchange of Thailand
• 2012	Certificate, Capital Market Academy Leadership Program, The Stock Exchange of Thailand
• 2005	Certificate, Chairman 2000, Thai Institute of Directors Association (IOD).
• 2003	Diploma, Directors Certification Program (DCP), Thai Institute of Directors Association (IOD).
EXPERIENCE TO REVIEW CREDIBILITY OF THE FINANCIAL STATEMENTS	
• 2003 - 2013	Independent Director and Audit Committee, The Brooker Group Public Co. Ltd.
• September 2018 - February 2019	Chairman, Audit Committee The Stock Exchange of Thailand
• 2013 - 2014	Member, Audit Committee The Stock Exchange of Thailand
• 2010 - November 2011	Independent Director and Chairman of the Audit Committee, Dhanarak Asset Development Company Limited.
• 2001 - 2007	Independent Director and Audit Committee, Thanachart Bank Public Company Limited.
OTHER EXPERIENCE	
• December 2021 - 13 October 2023	Independent Director and Chairman of the Audit Committee, CMO Public Company Limited
• July 2020 - Present	Chairman of the Board of Directors, Precious Shipping Public Company Limited
• August 2019 - 30 June 2023	Director, JKN Global Media Public Co., Ltd.
• May 2016 - March 2019	Director, TSFC Securities Public Company Limited.
• March 2016 - February 2021	Director, Lumpini Asset Management Company Limited.
• December 2015 - 7 August 2020	Chairman of the Board of Director, Thaifoods Group Public Company Limited.
• November 2011 - February 2021	Authorized Director, Innotech Asset Management Co., Ltd.
• May 2015 - August 2019	Governor, The Stock Exchange of Thailand.
• June 2012 - June 2013	Director, Thailand Futures Exchanges Public Company Limited.
• 2012 - 2014	Governor, The Stock Exchange of Thailand.
• 2013 - Present	Shareholder and Authorized Director, Ingenious Co. Ltd.
• March 2011 - July 2020	Independent Director and Chairman of Nomination Committee, Precious Shipping Public Company Limited.
• May 2009 - July 2019	Chief Executive Officer & Authorized Director, KT ZMICO Securities Company Limited.
• 22 May 2007 - 10 September 2020	Vice Chairman & Chief Executive Officer, Seamico Securities Public Company Limited
• Present	Vice Chairman & Secretary, The Srivisarvacha Foundation.
• Present	Director, Population and Community Development Association (PDA).
• 2004 - 2009	Director (Independent), G Steel Public Company Limited.
• 2003 - 2008	President of the Board, New International School of Thailand (Affiliated with United Nations).
• 1999 - Present	Shareholder and Authorized Director, CapMaxx Company Limited
• 1999 - 2003	Director (Independent), Pacific Assets Public Company Limited.
• 1999	Director and Executive Director, Krung Thai Bank Public Company Limited.
• 1995 - 1999	Director and Head of Thailand Investment Banking, Salomon Smith Barney.
• 1995 - 1999	Director, Phoenix Pulp & Paper Public Company Limited.
• 1991 - 1995	Director, Head of Thailand Investment Banking, Swiss Bank / SBC Warburg.
• 1988 - 1989	Manager, Investment Banking Department, Phatra Thanakit.
• 1985 - 1988	Business Development Officer, Industrial Finance Corporation of Thailand.

OCCUPATION

Company Director

DIRECTORSHIP AND POSITIONS HELD IN OTHER COMPANIES AND OTHER ORGANIZATIONS

CONNECTED COMPANIES	Nil
NON-CONNECTED COMPANIES	LISTED COMPANIES: Advisor to the Board of Directors, The Platinum Group Public Company Limited. NON - LISTED COMPANIES: Nil
OTHER RELATED COMPANIES (SUBSIDIARIES / ASSOCIATED COMPANIES)	Nil
OTHER ORGANISATIONS	1. Vice Chairman & Secretary, The Srivisarvacha Foundation. 2. Director, Population & Community Development Association (PDA).

NO. OF SHARES HELD (SHARES) AS OF YEAR END 2024:

Description	As of 1 Jan 2024	Acquisition in 2024	Disposal in 2024	Increase (Decrease) in 2024	As of 31 Dec 2024
By himself	-	-	-	-	-
By his spouse and minor children (if any)	-	-	-	-	-

No family relationship with any of the other Directors or any of the Management Team.

MR. KAMTORN SILA-ON**POSITION**
Chairman of Audit & Corporate Governance Committee* /
Sustainability and Risk Management Committee Member / Independent Director
DATE OF APPOINTMENT ON THE BOARD

14 March 2011

AGE

54 years

EDUCATION

- 1995 - 1997 MIT Sloan School, Massachusetts, USA Master of Business Administration; Financial Engineering Track GPA: 4.6/5.0.
- 1988 - 1992 Imperial College of Science Technology and Medicine, London, England Master of Engineering; Chemical Engineering; Associate of the City and Guilds Institute Upper Second Class Honours.

TRAINING

- 2024 Japan Thailand Top Executive Program (J-ToP) by University of the Thai Chamber of Commerce (UTCC)
- 2021 Completed Risk Management Program for Corporate Leaders (RCL) by Institute of Directors (IOD).
- 2017 Completed Leading in a Disruptive world (LDW) by Stanford University & Silicon Valley, California
- 2017 Completed Business Revolution and Innovation Network (BRAIN) training program by Federation of Thai Industries (FTI).
- 2016 Top Executive Program in Commerce and Trade (TEPCoT)
- 2012 Audit Committee Program (ACP) by Institute of Directors (IOD).
- 2011 Director Certification Program (DCP) by Institute of Directors (IOD).
- 2008 Completed Executive Development Program (EDP) by the Capital Markets Academy and Thai Listed Companies Association.

EXPERIENCE

- 2023 - Present Corporate Governance and Sustainability Committee Member, S&P Syndicate Public Company Limited
- May 2023 - Present Sustainability and Risk Management Committee Member, Precious Shipping Public Company Limited.
- 2022 - Present Chief Finance and Production Officer, S&P Syndicate Public Company Limited
- February 2021 - Present Independent Director, Chairman of the Audit Committee, Chairman of the Nomination and Remuneration Committee and Corporate Governance and Sustainable Development Committee, Inter Pharma Public Company Limited.
- February 2020 - May 2023 Chairman of Sustainability and Risk Management Committee, Precious Shipping Public Company Limited.
- April 2017 - Present Chairman of Audit and Corporate Governance Committee, Precious Shipping Public Company Limited.
- 2017 - 2022 President - Production and Finance, S&P Syndicate Public Company Limited

- 2015 - Present Director, The Federation of Thai Industries
- 2016 - Present Director, S&P Syndicate Public Company Limited
- 2016 - Present Risk Management Committee Member, S&P Syndicate Public Company Limited
- July 2014 - 2016 Chief Supply Chain Officer, S&P Syndicate Public Company Limited
- 2014 - Present Executive Committee Member, S&P Syndicate Public Company Limited
- March 2011- Present Independent Director, Precious Shipping Public Company Limited.
- March 2011- May 2023 Chairman of Remuneration Committee, and Nomination Committee Member, Precious Shipping Public Company Limited.
- 2011- April 2017 Audit and Corporate Governance Committee Member, Precious Shipping Public Company Limited.
- 2011 - 2014 Deputy Managing Director, Head of Private Client Investment Management Group, Bualuang Securities Plc., Bangkok, Thailand.
- 2004 - 2011 Deputy Managing Director, Co-head of Investment Banking, Bualuang Securities Plc., Bangkok, Thailand.
- 1999 - 2004 Senior Vice President, Investment Banking Asset Plus Securities Plc., Bangkok, Thailand.
- 1997 - 1999 Associate, Global Investment Banking Chase Securities, Inc., New York, USA and Singapore.
- 1994 - 1995 Analyst, Investment Banking Dept. SCB Securities Co., Ltd., Bangkok, Thailand.
- 1992 - 1994 Manager, Money Market Dept. Tisco Plc., Bangkok, Thailand.

OCCUPATION

President - Production and Finance, S&P Syndicate Public Company Limited.

DIRECTORSHIP AND POSITIONS HELD IN OTHER COMPANIES AND OTHER ORGANISATIONS

CONNECTED COMPANIES	Nil
NON-CONNECTED COMPANIES	LISTED COMPANIES: <ol style="list-style-type: none"> 1. Chief Finance and Production Officer, S&P Syndicate Public Company Limited. 2. Independent Director, Chairman of the Audit Committee, Chairman of the Nomination and Remuneration Committee and Corporate Governance and Sustainable Development Committee, Inter Pharma Public Company Limited. NON - LISTED COMPANIES: <ol style="list-style-type: none"> 1. Director, Chaophraya Express Boat Co., Ltd. 2. Director, The Federation of Thai Industries.
OTHER RELATED COMPANIES (SUBSIDIARIES / ASSOCIATED COMPANIES)	Nil
OTHER ORGANISATION	Member of Academic Committee, Department of International Business, Logistics and Transport, Thammasat Business School, Thammasat University.

NO. OF SHARES HELD (SHARES) AS OF YEAR END 2024:

Description	As of 1 Jan 2024	Acquisition in 2024	Disposal in 2024	Increase (Decrease) in 2024	As of 31 Dec 2024
By himself	-	-	-	-	-
By his spouse and minor children (if any)	-	-	-	-	-

* Note: Audit Committee Member who has adequate expertise and experience to review credibility of the financial statement.

No family relationship with any of the other Directors or any of the Management Team.

MS. PENSRI SUTEERASARN

POSITION

Chairperson of Nomination and Remuneration Committee /
Audit and Corporate Governance Committee Member*/
Sustainability and Risk Management Committee Member / Independent Director

DATE OF APPOINTMENT ON THE BOARD

8 July 2020

AGE

56 years

EDUCATION

BA (Cost Accounting), Chulalongkorn University
MBA, California State University, Hayward, USA

TRAINING

- 2023 Refreshment Program (RFP 9/2023), Thai Institute of Directors (IOD)
- 2019 Leadership through Performance, INSEAD Future Leader Summit, Singapore
- 2018 Leading Disruptive Innovation with Design Thinking, Stanford Center for Professional Development, USA

- 2017 People, Culture, and Performance: Strategies from Silicon Valley, Stanford University, USA
- 2017 GNH and Business Journey in Bhutan, GNH Center Bhutan
- 2015 Proteus: Creative Encounters to Inspire Leaders, London Business School, UK
- 2011 Breakthrough Program for Senior Executives, IMD, Switzerland
- 2010 Successful Formulation and Execution Strategy (SFE), Thai Institute of Directors (IOD)
- 2007 Director Certificate Program (DCP), Thai Institute of Directors (IOD)

EXPERIENCE

- 15 May 2023 - Present Chairperson of Nomination and Remuneration Committee, Precious Shipping Public Company Limited
- 4 April 2022 - Present Audit and Corporate Governance Committee Member and Sustainability and Risk Management Committee Member, Precious Shipping Public Company Limited
- 2020 - Present Independent Director, Precious Shipping Public Company Limited
- 2020 - 2023 Chairperson of Nomination Committee, Precious Shipping Public Company Limited

OTHER EXPERIENCE

- 4 January 2024 - Present Independent Director, Thai Udonthani Sugar Mill Company Limited
- 17 February 2022 - Present Board of Directors, Thailand Development Research Institute (TDRI)
- 1 February 2022 - Present Adviser, Thai Listed Companies Association
- December 2018 - Present Board of Directors and Audit Committee and Remuneration Committee, Readyplanet Public Company Limited
- April 2018 - Present Board of Directors and Audit Committee, Sabina PLC
- 2007 - Present Sub-Committee on Consideration of Regulations on Issuance and Offering of Equity Instruments and Governance of Securities Issuing Companies, Securities and Exchange Commission (SEC)
- 2006 - January 2022 Secretary General and President, Thai Listed Companies Association
- 2001 - 2005 Financial Advisor on the Privatization of State-Owned Enterprises Project, State Enterprise Policy Office, Ministry of Finance
- 1998 - 2001 Associate Director, Investment Banking Department, Dresdner Kleinwort Benson
- 1993 - 1998 Manager, Investment Banking Department, SBC Warburg
- Adviser, Thai Listed Companies Association (2022 - Present)

OCCUPATION

DIRECTORSHIP AND POSITIONS HELD IN OTHER COMPANIES AND OTHER ORGANISATIONS

CONNECTED COMPANIES	Nil
NON-CONNECTED COMPANIES	LISTED COMPANIES: Board of Directors and Audit Committee, Sabina Public Company Limited. NON - LISTED COMPANIES: 1. Board of Directors and Audit Committee and Remuneration, Readyplanet Public Company Limited. 2. Independent Director, Thai Udonthani Sugar Mill Company Limited.
OTHER RELATED COMPANIES (SUBSIDIARIES / ASSOCIATED COMPANIES)	Nil
OTHER ORGANISATIONS	Sub-Committee on Consideration of Regulations on Issuance and Offering of Equity Instruments and Governance of Securities Issuing Companies, Securities and Exchange Commission (SEC).

NO. OF SHARES HELD (SHARES) AS OF YEAR END 2024:

Description	As of 1 Jan 2024	Acquisition in 2024	Disposal in 2024	Increase (Decrease) in 2024	As of 31 Dec 2024
By herself	-	-	-	-	-
By her spouse and minor children (if any)	-	-	-	-	-

* Note : Audit Committee Member who has adequate expertise and experience to review credibility of the financial statement.

No family relationship with any of the other Directors or any of the Management Team.

PROFESSOR DR. PAVIDA PANANOND

POSITION	Chairperson of Sustainability and Risk Management Committee / Audit and Corporate Governance Committee Member*/ Independent Director
DATE OF APPOINTMENT ON THE BOARD	14 March 2011
AGE	57 years
EDUCATION	
• 2001	Doctor of Philosophy, Department of Economics, University of Reading, United Kingdom.
• 1992	Master of Business Administration (International Business), Diploma in Management (Asian Studies), McGill University, Canada.
• 1989	Bachelor of Accountancy (Accounting), Chulalongkorn University.
TRAINING AND SEMINARS (RECENT AND SELECTIVE)	
• 2023	Director Leadership Certification Program (DLCP 12/2023) by Institute of Directors (IOD).
• 2020	Successful Formulation & Execution of Strategy (SFE) 32/2020 by Institute of Directors (IOD).
• 2020	Attended (as an observer) the risk management workshop held by the Risk and Internal Control Club, Thai Listed Companies Association (TLCA)
• 2013	Financial Statements for Director (FSD 22) by Institute of Directors (IOD).
• 2012	Audit Committee Program (ACP 41) by Institute of Directors (IOD).
• 2011	Director Certificate Program (DCP 148) by Institute of Directors (IOD).
AWARDS AND SCHOLARSHIPS	
• September 2024 - October 2025	Alan Rugman Fellowship, Henley Business School, University of Reading, United Kingdom
• December 2021 - March 2022	ESCAP- WHO Research Grant (Asia-Pacific in the manufacturing and global supply chain of vaccines)
• March - December 2020	Economic and Social Commission for Asia and the Pacific (ESCAP), United Nations Research Grant (Outward foreign direct investment and global value chains)
• 2018	ASEAN @ 50 Fellow, Southeast Asia Centre of Asia-Pacific Excellence and Ministry of Foreign Affairs and Trade, New Zealand
• 2015	Thammasat University Award for Researcher with Highest Number of International Publication (2013-2014)
• 2015	Fulbright Thai Visiting Scholar, Fulbright Thailand Thailand - United States Education Foundation
• 2013 - 2014	Thailand Research Fund Grant Number 5610054 (Assessing the merit of home-country support for outward foreign direct investment in neighboring countries)
• 2013	Department Nominee for Thammasat University's 2014 Best Teacher in Social Sciences
• 2009 - 2012	Thailand Research Fund Grant Number 5280032 (Competitive Strategies of Thai Multinationals in the Global Economy).
• 2008	Best Teacher Award, Thammasat Business School, Thammasat University.
• 1996 - 2001	Doctoral scholarship from Thammasat Business School, Thammasat University.
• 1992 - 1994	MBA scholarship from Thammasat Business School, Thammasat University.
EXPERIENCE	
• May 2023 - Present	Chairperson of Sustainability and Risk Management Committee, Precious Shipping Public Company Limited.
• June 2022 - Present	Member of the University Council, Thai-Nichi Institute of Technology
• April 2022 - May 2023	Nomination Committee Member, Precious Shipping Public Company Limited
• February 2020 - May 2023	Sustainability and Risk Management Committee Member, Precious Shipping Public Company Limited.
• October 2018 - Present	Professor, Thammasat Business School, Thammasat University.
• March 2011 - Present	Independent Director and Audit and Corporate Governance Committee Member, Precious Shipping Public Company Limited.
• March 2011 - May 2023	Remuneration Committee Member, Precious Shipping Public Company Limited.
• 2010 - 2012	Department Head, Department of International Business, Logistics and Transport, Thammasat Business School, Thammasat University.
• 2006 - September 2018	Associate Professor, Thammasat Business School, Thammasat University.
• 2003 - 2006	Assistant Professor, Thammasat Business School, Thammasat University.
• 1992 - 2003	Lecturer, Thammasat Business School, Thammasat University.
OTHER POSITIONS	
• July 2023 - Present	Area Editor, Journal of International Business Policy, one of the main journals of the Academy of International Business
• 202 - 2023	Conference Theme Track Chair (International Business Resilience under Global Disruptions), Academy of International Business Annual Conference 2023, Warsaw, Poland

- 2019 Track Chair (Managing the Global Value Chain), Academy of International Business Annual Conference 2019, Copenhagen, Denmark
 - 2017 - Present Honorary Adviser, Asia New Zealand Foundation, Auckland, New Zealand
 - 2015 - Present Associate Member, John Dunning Centre for International Business, Henley Business School, University of Reading, United Kingdom.
 - 2015 - Present Affiliate Member, Emerging Market Internationalization Research Group, The University of Sydney Business School, University of Sydney, Australia
 - 2013 - 2014 Conference Chair, Euro-Asia Management Studies Association Annual Conference 2014, Bangkok, Thailand.
 - 2013 - 2014 Track Chair (Home Economies and the MNE), Academy of International Business Annual Conference 2014, Vancouver, Canada.
 - April 2013 Visiting Fellow, Henley Business School, University of Reading, United Kingdom.
 - 2013 - 2015 Vice President (Asia), Euro-Asia Management Studies Association.
 - 2010 - Present Member of Advisory Board, Euro-Asia Management Studies Association.
 - 2009 - Present Member of Editorial Boards of academic journals including Southeast Asia Research, Asia-Pacific Journal of Management, Multinational Business Review, Global Strategy Journal, and Journal of International Business Policy.
- University Professor.

OCCUPATION

DIRECTORSHIP AND POSITIONS HELD IN OTHER COMPANIES AND OTHER ORGANISATIONS

CONNECTED COMPANIES	Nil
NON-CONNECTED COMPANIES	Nil
OTHER RELATED COMPANIES (SUBSIDIARIES / ASSOCIATED COMPANIES)	Nil
OTHER ORGANISATIONS	1. Vice President (Asia), Euro-Asia Management Studies Association. 2. Member of Editorial Advisory Board, Southeast Asia Research.

NO. OF SHARES HELD (SHARES) AS OF YEAR END 2024:

Description	As of 1 Jan 2024	Acquisition in 2024	Disposal in 2024	Increase (Decrease) in 2024	As of 31 Dec 2024
By herself	-	-	-	-	-
By her spouse and minor children (if any)	-	-	-	-	-

* Note : Audit Committee Member who has adequate expertise and experience to review credibility of the financial statement.

No family relationship with any of the other Directors or any of the Management Team.

MS. QIYU (JACKIE) WANG

POSITION

Nomination and Remuneration Committee Member /
Sustainability and Risk Management Committee Member / Independent Director

DATE OF APPOINTMENT ON THE BOARD

10 April 2023

AGE

44 years

EDUCATION

Bachelor of Arts in Communications,
University of Washington, USA

TRAINING

- 2023 Director Certificate Program (DCP 351/2023) by Institute of Directors (IOD).
- 2022 Speaker at Global Summit of Women 2022, Using Technology to Expand Your Business Across Borders
- 2022 Attended APEC CEO Summit
- 2022 Speaker at Harvard Business School Association of Thailand on Future of Work
- 2021 Speaker at The Standard Economic Forum, The Future of Work
- 2020 Completed The Leadership Consortium Leadership Program
- 2017 Completed Google School for Leaders Polaris Leadership Program

EXPERIENCE

- 2023 - Present Nomination and Remuneration Committee Member, Sustainability and Risk Management Committee Member and Independent Director, Precious Shipping Public Company Limited.
- 2019 - Present Country Director, Google Thailand
- 2016 - 2019 Industry Head (Large Customer Sales) for CPG and Auto, Google Thailand
- 2015 - 2016 Global Brand Manager for Nest Learning Thermostat and Nest Protect, Nest Palo Alto, CA
- 2014 - 2015 Industry Manager (Large Customer Sales) for CPG, Auto & Finance, Google Thailand

- 2013 General Manager for Commonwealth Thailand - key account GM Chevrolet, McCann Worldgroup
- 2011 - 2013 General Manager, MRM Thailand
- 2010 - 2011 Business Director, MRM Thailand
- 2005 - 2009 Account Supervisor for Microsoft, McCann Worldgroup San Francisco, CA
- 2004 - 2005 Account Executive for Hewlett Packard, Publicis & Hal Riney San Francisco, CA
- 2003 - 2004 Account Executive for Kashi Cereal, Torani Syrups, National University, Amazon Advertising San Francisco, CA

OCCUPATION

Country Director, Google Thailand

DIRECTORSHIP AND POSITIONS HELD IN OTHER COMPANIES AND OTHER ORGANISATIONS

CONNECTED COMPANIES	Nil
NON-CONNECTED COMPANIES	Nil
OTHER RELATED COMPANIES (SUBSIDIARIES / ASSOCIATED COMPANIES)	Nil
OTHER ORGANISATIONS	Nil

NO. OF SHARES HELD (SHARES) AS OF YEAR END 2024:

Description	As of 1 Jan 2024	Acquisition in 2024	Disposal in 2024	Increase (Decrease) in 2024	As of 31 Dec 2024
By herself	-	-	-	-	-
By her spouse and minor children (if any)	-	-	-	-	-

No family relationship with any of the other Directors or any of the Management Team.

MR. KHALID MOINUDDIN HASHIM

POSITION

Managing Director / Executive Director /
Sustainability and Risk Management Committee Member

DATE OF APPOINTMENT ON THE BOARD

11 January 1994

AGE

71 years

EDUCATION

Master's Degree in Management Studies specializing in Finance, University of Bombay.

TRAINING

- 2024 Obtained the Top Executive WSH Programme (TEWP Synchronous E-Learning) certificate from Absolute Kinetics Consultancy Pte Ltd. (AKC)
- 2005 Graduate member of Thai Institute of Directors (IOD) - Completed "Directors Certificate Program" (DCP), Class 57/2005.

EXPERIENCE

- February 2020 - Present Sustainability and Risk Management Committee Member, Precious Shipping Public Company Limited.
- 1994 - Present Managing Director, Precious Shipping Public Company Limited.
- 1991 - 1993 Managing Director, Precious Shipping Limited.
(Converted into Public Company Limited in 1994)
- 1984 - 1991 Head of Shipping Department, Geepee Corporation Limited.
- 1979 - 1983 Senior Executive, Pan Ocean Navigation & Trading Pte. Ltd.

OCCUPATION

Managing Director and Executive Director, Precious Shipping Public Company Limited.

DIRECTORSHIP AND POSITIONS HELD IN OTHER COMPANIES AND OTHER ORGANISATIONS

CONNECTED COMPANIES	Nil
NON-CONNECTED COMPANIES	Nil
OTHER RELATED COMPANIES (SUBSIDIARIES / ASSOCIATED COMPANIES)	Director in the Company's 59 subsidiaries (Subsidiary Companies Nos. 1-59 on page 87-88 of this Annual Report)
OTHER ORGANISATIONS	<ol style="list-style-type: none"> 1. Deputy Chairman of the Board of Directors and Chairman of the Finance & Audit Committee, The Swedish Club, Sweden. Member of the Risk Management Committee. 2. Regional Committee Member, American Bureau of Shipping. 3. Austral - Asia Regional Committee Member, Bureau Veritas. 4. Trustee, Sackhumvit Trust, Bangalore, India.

NO. OF SHARES HELD (SHARES) AS OF YEAR END 2024:

Description	As of 1 Jan 2024	Acquisition in 2024	Disposal in 2024	Increase (Decrease) in 2024	As of 31 Dec 2024
By himself	121,526,275	-	-	-	121,526,275 (7.79% of total paid up shares)
By his spouse and minor children (if any)	-	-	-	-	-

No family relationship with any of the other Directors or any of the Management Team.

MR. KIRIT SHAH**POSITION**

Director / Nomination and Remuneration Committee Member

DATE OF APPOINTMENT ON THE BOARD

24 April 2007

AGE

71 years

EDUCATION

Studied Commerce from H.R. College of Commerce, Bombay, India.

TRAINING

- 2005

Graduate member of Thai Institute of Directors (IOD) - Completed "Directors Certificate Program" (DCP), Class 57/2005.

EXPERIENCE

- 2023 - Present
- 2018 - Present
- 2007 - Present
- 2007 - 2023
- 1999 - 2003
- 1989 - 2002
- 1980 - 2003

Nomination and Remuneration Committee Member,
Precious Shipping Public Company Limited.
Director, Gammon Engineering and Contractors Private Limited, India.
Director, Precious Shipping Public Company Limited.
Remuneration Committee Member, Precious Shipping Public Company Limited.
Vice Chairman and Executive Director, Phoenix Pulp and Paper PCL, Bangkok.
Director, Precious Shipping PCL, Bangkok.
Managing Director, G. Premjee Ltd., Bangkok.
Company Executive.

OCCUPATION**DIRECTORSHIP AND POSITIONS HELD IN OTHER COMPANIES AND OTHER ORGANISATIONS**

CONNECTED COMPANIES	LISTED COMPANIES: <ol style="list-style-type: none"> 1. Director & Vice-Chairman, Christiani & Nielsen (Thai) Public Company Limited. 2. Director, Mega Lifesciences Public Company Limited. NON - LISTED COMPANIES: <ol style="list-style-type: none"> 1. Director, Globex Corporation Limited. 2. Executive Director, Graintrade Limited. 3. Director, Premthai International Limited. 4. Director, Unistretch Limited.* (Lessor of the main operations office space leased by the Company) 5. Director, Maxwin Builders Ltd.* (Provider of hotel and management services) 6. Director, Maestro Controls Limited.* (Service provider of management of the offices leased and apartments owned by the Company and its subsidiary respectively) 7. Director, Gammon Engineering and Contractors Private Limited, India. 8. Director, Eka Software Solutions Pte Ltd.* 9. Director, MJets Limited* <p>*Note: Please refer to "CONNECTED TRANSACTIONS" on page 269-270 of this Annual Report.</p>
NON-CONNECTED COMPANIES	Nil
OTHER RELATED COMPANIES (SUBSIDIARIES / ASSOCIATED COMPANIES)	Nil
OTHER ORGANISATIONS	Nil

NO. OF SHARES HELD (SHARES) AS OF YEAR END 2024:

Description	As of 1 Jan 2024	Acquisition in 2024	Disposal in 2024	Increase (Decrease) in 2024	As of 31 Dec 2024
By himself	-	-	-	-	-
By his spouse and minor children (if any)	-	-	-	-	-

Mr. Kirit Shah is the father of Ms. Nishita Shah and Mr. Ishaan Shah but has no family relationship with any of the other Directors or any of the Management Team.

MR. GAUTAM KHURANA

POSITION	Director / Executive Director / Director (Finance)* (*The person who takes the highest responsibility of finance and accounting in the Company)
DATE OF APPOINTMENT ON THE BOARD	11 February 2020
AGE	48 years
EDUCATION	MBA, INSEAD, France Chartered Financial Analyst, CFA Institute, USA BA Economics, University of Rochester, USA
TRAINING & SEMINARS	
• December 2024	Attended TLCA CFO professional development program (TLCA CFO CPD) No. 8/2024 on the topic 'How AI will transform the CFO's role'.
• November 2024	Attended TLCA CFO professional development program (TLCA CFO CPD) No. 7/2024 on the topic 'Economic Update for CFO' (No. 2).
• November 2024	Attended TLCA CFO professional development program (TLCA CFO CPD) No. 6/2024 on the topic 'Cybersecurity & Risk Management for CFOs'.
• October 2024	Speaker at Capital Link's Annual International Shipping Forum in Shanghai.
• October 2024	Speaker at the Southeast Asia Corporate Decarbonization Exchange (CDx).
• June 2024	Attended TLCA CFO professional development program (TLCA CFO CPD) No. 2/2024 on the topic 'Economic Update for CFO'.
• August 2023	The Board's Role in Mergers and Acquisitions (BMA) Class 5/2023 by Institute of Directors (IOD)
• December 2021	Completed "Directors Certificate Program" (DCP) Class 313/2021 by Institute of Directors (IOD)
• September 2020	Directors Accreditation Program (DAP 173/2020) by Institute of Directors (IOD)
• December 2019 - January 2020	E-Learning CFO Orientation Course held by the Stock Exchange of Thailand
EXPERIENCE	
• 2020 - Present	Director / Executive Director, Precious Shipping Public Company Limited
• 2019 - Present	Director (Finance), Precious Shipping Public Company Limited
• 2018 - 2019	Chief Financial Officer, Precious Shipping Public Company Limited
• 2017 - 2018	Director, Drewry Financial Research Services, UK
• 2015 - 2016	Senior Consultant, Galway Group, India
• 2004 - 2014	Senior Vice President, DVB Bank, London, Singapore
• 2000 - 2003	Manager, Pacific Shipping, Mumbai, India
• 1998 - 1999	Associate Consultant, Synygy, Philadelphia, USA
OCCUPATION	Director (Finance) and Executive Director, Precious Shipping Public Company Limited.

DIRECTORSHIP AND POSITIONS HELD IN OTHER COMPANIES AND OTHER ORGANISATIONS

CONNECTED COMPANIES	Nil
NON-CONNECTED COMPANIES	Nil
OTHER RELATED COMPANIES (SUBSIDIARIES / ASSOCIATED COMPANIES)	Director in the Company's 59 subsidiaries (Subsidiary Companies Nos. 1-59 on page 87-88 of this Annual Report)
OTHER ORGANISATIONS	Nil

NO. OF SHARES HELD (SHARES) AS OF YEAR END 2024:

Description	As of 1 Jan 2024	Acquisition in 2024	Disposal in 2024	Increase (Decrease) in 2024	As of 31 Dec 2024
By himself	-	-	-	-	-
By his spouse and minor children (if any)	-	-	-	-	-

No family relationship with any of the Directors or any of the others in Management Team.

MR. KHUSHROO KALI WADIA

POSITION	Director
DATE OF APPOINTMENT ON THE BOARD	20 August 1999
AGE	61 years
EDUCATION	Bachelor's Degree in Science, University of Bombay. Chartered Accountant, Institute of Chartered Accountants of India.
TRAINING	
• 2005	Graduate member of Thai Institute of Directors (IOD) - Completed "Directors Certificate Program" (DCP), Class 64/2005.
EXPERIENCE	
• 2013 - 2024	*Chief Executive Officer, Christiani & Nielsen (Thai) Public Company Limited.
• 2018 - Present	Director, Gammon Engineering and Contractors Private Limited, India.
• 1999 - Present	Director, Precious Shipping Public Company Limited.
• 1999 - 2019	Director (Finance) and Executive Director, Precious Shipping Public Company Limited.
• 1994 - 1999	Director (Finance & Accounts), Maxwin Group of Companies.
• 1997 - 1998	Vice President (Finance & Administration), Suretex Limited.
• 1990 - 1994	Financial Controller, Maxwin Group of Companies.
• 1988 - 1990	Assistant Manager, A.F. Ferguson & Co.
	*Redesignated from Managing Director to Chief Executive Officer from Year 2024
OCCUPATION	Chief Executive Officer, Christiani & Nielsen (Thai) Public Company Limited. Director, Precious Shipping Public Company Limited. Executive Director, Maxwin Builders Ltd.

DIRECTORSHIP AND POSITIONS HELD IN OTHER COMPANIES AND OTHER ORGANISATIONS

CONNECTED COMPANIES	LISTED COMPANIES: Director on the Board of Directors and Chief Executive Officer - Christiani & Nielsen (Thai) Public Company Limited. NON - LISTED COMPANIES: 1. Director and Executive Director, Maxwin Builders Ltd.* (Provider of hotel and management services) 2. Director, The Atrium Hotel Ltd. 3. Chairman of the Board of Directors, Christiani & Nielsen (Cambodia) Co., Ltd. 4. Director, CNT Holdings Ltd. 5. Director, Christiani & Nielsen Energy Solutions Co., Ltd.* 6. Director, CNES D1 Company Limited 7. Non-Executive Director, Gammon Engineering and Contractors Private Limited, India. *Note: Please refer to CONNECTED TRANSACTIONS on page 269-270 of this Annual Report.
NON-CONNECTED COMPANIES	Nil
OTHER RELATED COMPANIES (SUBSIDIARIES / ASSOCIATED COMPANIES)	Nil
OTHER ORGANISATIONS	Nil

NO. OF SHARES HELD (SHARES) AS OF YEAR END 2024:

Description	As of 1 Jan 2024	Acquisition in 2024	Disposal in 2024	Increase (Decrease) in 2024	As of 31 Dec 2024
By himself	-	-	-	-	-
By his spouse and minor children (if any)	-	-	-	-	-

No family relationship with any of the other Directors or any of the Management Team.

MS. NISHITA SHAH

POSITION	Director
DATE OF APPOINTMENT ON THE BOARD	23 August 2002
AGE	44 years
EDUCATION	Bachelor of Science in Business Administration; concentration in Finance and Business Law, Boston University, School of Management.
TRAINING	
• 2015	Transformation & Change - Managing Culture for Success - Thai Listed Company Association, the RBL Group, and ADGES Consulting
• 2007	Graduate member of Thai Institute of Directors (IOD) - Completed "Directors Certificate Program" (DCP) Class 83/2007.
• 2006	Completed "Director Accreditation Program" (DAP), Class 57/2006 of Thai Institute of Directors (IOD).
• 2004	Completed "Anatomy of Shipping" course, Seatrade Academy / Cambridge Academy of Transport.
EXPERIENCE	
• September 2016 - Present	Director / Executive Director, Golden Lime Public Co., Ltd.
• 2002 - Present	Director, Precious Shipping Public Company Limited.

OCCUPATION Management, GP Group of Companies.

DIRECTORSHIP AND POSITIONS HELD IN OTHER COMPANIES AND OTHER ORGANISATIONS

CONNECTED COMPANIES	LISTED COMPANIES: Director / Executive Director, Golden Lime Public Co., Ltd.
	NON - LISTED COMPANIES: Nil
NON-CONNECTED COMPANIES	Nil
OTHER RELATED COMPANIES (SUBSIDIARIES / ASSOCIATED COMPANIES)	Nil
OTHER ORGANISATIONS	Nil

NO. OF SHARES HELD (SHARES) AS OF YEAR END 2024:

Description	As of 1 Jan 2024	Acquisition in 2024	Disposal in 2024	Increase (Decrease) in 2024	As of 31 Dec 2024
By herself	-	-	-	-	-
By her spouse and minor children (if any)	-	-	-	-	-

Ms. Nishita Shah is the daughter of Mr. Kirit Shah and the elder sister of Mr. Ishaan Shah but has no family relationship with any of the other Directors or any of the Management Team.

MR. ISHAAN SHAH

POSITION	Director
DATE OF APPOINTMENT ON THE BOARD	14 March 2011
AGE	36 years
EDUCATION	
• 2010	Bachelor of Science in Business Administration, Concentrations in Finance and Law, University of Southern California, Los Angeles, CA, The United States.
• 2006	Rugby School, Rugby, The United Kingdom.
TRAINING	
• 2011	Director Certificate Program (DCP) by Institute of Directors (IOD).
• 2011	Seatrade Academy, University of Cambridge, The United Kingdom.
EXPERIENCE	
• March 2013 - Present	Director, Mega Lifesciences Public Company Limited.
• January 2012 - Present	Director, Christiani & Nielsen (Thai) Public Company Limited.
• March 2011 - Present	Director, Precious Shipping Public Company Limited.
• 2008 - Present	Director, Globex Corporation Limited.

- 2008 - Present
- October 2016 - 2022

Director, Graintrade Limited.
 Director, Geepee Corporation Limited
 Company Director

OCCUPATION

DIRECTORSHIP AND POSITIONS HELD IN OTHER COMPANIES AND OTHER ORGANISATIONS

CONNECTED COMPANIES	LISTED COMPANIES: <ol style="list-style-type: none"> 1. Director, Christiani & Nielsen (Thai) Public Company Limited. 2. Director, Mega Lifesciences Public Company Limited. NON - LISTED COMPANIES: <ol style="list-style-type: none"> 1. Director, Globex Corporation Limited. 2. Director, Graintrade Limited. 3. Director, Unistretch Limited.* (Lessor of the main operations office space leased by the Company). 4. Director, Ambika Tour Limited.* (Seller of air-tickets to the Company). 5. Director, Maxwin Builders Ltd.* (Provider of hotel and management services). 6. Director, Maestro Controls Limited.* (Service provider of management of the offices leased and apartments owned by the Company and its subsidiary respectively). 7. Director, InsurExcellence Life Insurance Brokers Limited* (Life Insurance Broker) 8. Director, InsurExcellence Insurance Brokers Limited* (Insurance Broker) 9. Director, Mjets Limited <p>*Note: Please refer to "CONNECTED TRANSACTIONS" on page 269-270 of this Annual Report.</p>
NON-CONNECTED COMPANIES	Nil
OTHER RELATED COMPANIES (SUBSIDIARIES / ASSOCIATED COMPANIES)	Director in the Company's 27 subsidiaries (Subsidiary Companies Nos. 1-26 and 60 on page 87-88 of this Annual Report)
OTHER ORGANISATIONS	Nil

NO. OF SHARES HELD (SHARES) AS OF YEAR END 2024:

Description	As of 1 Jan 2024	Acquisition in 2024	Disposal in 2024	Increase (Decrease) in 2024	As of 31 Dec 2024
By himself	-	-	-	-	-
By his spouse and minor children (if any)	-	-	-	-	-

Mr. Ishaan Shah is the son of Mr. Kirit Shah and the younger brother of Ms. Nishita Shah but has no family relationship with any of the other Directors or any of the Management Team.

MS. SIRASA SUPAWASIN

POSITION

Director / Vice President (Legal) / Data Protection Officer

DATE OF APPOINTMENT ON THE BOARD

8 July 2020

AGE

41 years

EDUCATION

Bachelor's Degree in Law, Thammasat University
 Lawyer License, Lawyers Council of Thailand
 Notarial Service Attorney License, Lawyers Council of Thailand

TRAINING & SEMINARS

- December 2024
• November 2023
Attended the training course "Mergers & Acquisitions" held by OMEGAWORLDCCLASS
Obtained the Thailand Data Protection Officer (T-DPO) certificate from the Digital Council of Thailand
- August 2023
• July 2022
• June 2022
• March 2022
The Board's Role in Mergers and Acquisitions (BMA) Class 5/2023 by Institute of Directors (IOD)
Attended Women in Maritime Conference held by Norton Rose Fulbright
Attended the Global Summit of Women 2022
Attended the training course "Practical Techniques for complying with Data Protection Law" held by National Institute of Development Administration (NIDA)
- October 2021
Attended the training course "Personal Data Protection Law for Practitioners" held by Law and Development Research Center (LDRC), Faculty of Law, Chulalongkorn University
- April 2018
• October 2013
Completed "Directors Certificate Program" (DCP) Class 254/2018
Attended the training course "CSR Knowledge Management" held by Corporate Social Responsibility Institute (CSRI)
- February 2013
• October 2010
• October 2008
Attended the training course "New CG Principles 2012" held by IOD and the SET
Effective Minute Taking Program, the Thai Institute of Directors
Business Law Training Course, Faculty of Law, Thammasat University

- October 2007
- September 2006

Company Secretary Program, the Thai Institute of Directors
Human Resource Law Training Course, Faculty of Law, Thammasat University

AWARDS

- June 2023

The Legal 500 GC Powerlist: Thailand 2023

EXPERIENCE

- 2020 - Present
- 2019 - Present
- 2017 - 2018
- July 2011 - 2016
- 2007 - 2011
- 2005 - 2006

Director, Precious Shipping Public Company Limited
Vice President - Legal, Precious Shipping Public Company Limited
Assistant Vice President - Legal, Precious Shipping Public Company Limited
Senior Legal and Compliance Manager, Precious Shipping Public Company Limited
Senior Legal Officer, United Thai Shipping Corporation Limited
Legal Officer, Daikin Industries (Thailand) Limited

OCCUPATION

Vice President (Legal) and Director, Precious Shipping Public Company Limited

DIRECTORSHIP AND POSITIONS HELD IN OTHER COMPANIES AND OTHER ORGANISATIONS

CONNECTED COMPANIES	Nil
NON-CONNECTED COMPANIES	Nil
OTHER RELATED COMPANIES (SUBSIDIARIES / ASSOCIATED COMPANIES)	Nil
OTHER ORGANISATIONS	Nil

NO. OF SHARES HELD (SHARES) AS OF YEAR END 2024:

Description	As of 1 Jan 2024	Acquisition in 2024	Disposal in 2024	Increase (Decrease) in 2024	As of 31 Dec 2024
By herself	-	-	-	-	-
By her spouse and minor children (if any)	-	-	-	-	-

No family relationship with any of the Directors or any of the others in Management Team.

MANAGEMENT TEAM - PROFILE

Mr. Khalid Moinuddin Hashim*	Managing Director
Mr. Gautam Khurana*	Director (Finance)
Ms. Sirasa Supawasin*	Vice President (Legal) and Data Protection Officer

(*For profile and shareholding changes, please refer to **BOARD OF DIRECTORS – PROFILE**)

MR. CHANDRASEKHAR SIVARAMAN VENKATRAMAN

POSITION	Executive Director and Director (Technical)
AGE	62 years
EDUCATION	First Class Marine Engineer Bachelor's Degree in Marine Engineering, India
EXPERIENCE	<ul style="list-style-type: none"> • 2023 - Present Executive Director and Director (Technical), Precious Shipping Public Company Limited • 2021 - 2023 Fleet Technical Manager, Great Circle Shipping Agency Limited • 2018 - 2023 Vice President (Technical & Information Systems), Precious Shipping Public Company Limited • 2017 - 2018 Assistant Vice President (Technical), Precious Shipping Public Company Limited • 2003 - 2016 Senior Manager (Technical), Precious Shipping Public Company Limited • 1995 - 2003 Technical Superintendent, Precious Shipping Public Company Limited • 1992 - 1995 Chief Engineer, Precious Shipping Public Company Limited • 1986 - 1992 Second Engineer, Precious Shipping Public Company Limited Engineer on ships, SISCO India & Anglo Eastern Ship Management Company Hong Kong
POSITIONS HELD IN OTHER COMPANIES	Director in the Company's 59 subsidiaries (Subsidiary Companies Nos. 1-59 on page 87-88 of this Annual Report)

NO. OF SHARES HELD (SHARES) AS OF YEAR END 2024:

Description	As of 1 Jan 2024	Acquisition in 2024	Disposal in 2024	Increase (Decrease) in 2024	As of 31 Dec 2024
By himself	1,075,000	-	-	-	1,075,000 (0.07% of total paid up shares)
By his spouse and minor children (if any)	3,014	-	-	-	3,014 (0.00% of total paid up shares)

Mr. Chandrasekhar Sivaraman Venkatraman is the spouse of Ms. Wimonwan Jaysrichai.

MR. SHRILAL GOPINATHAN

POSITION	Director (Commercial)
AGE	67 years
EDUCATION	Bachelor of Commerce, the University of Bombay, India Diploma in Shipping, the Norattam Morarjee Institute of Shipping, Bombay, India
EXPERIENCE	<ul style="list-style-type: none"> • 2021 - Present Director (Commercial), Precious Shipping Public Company Limited • 1999 - 2020 Vice President (Commercial), Precious Shipping Public Company Limited • 1989 - 1998 Chartering Manager, Precious Shipping Public Company Limited
POSITIONS HELD IN OTHER COMPANIES	Nil

NO. OF SHARES HELD (SHARES) AS OF YEAR END 2024:

Description	As of 1 Jan 2024	Acquisition in 2024	Disposal in 2024	Increase (Decrease) in 2024	As of 31 Dec 2024
By himself	1,000,000	-	-	-	1,000,000 (0.06% of total paid up shares)
By his spouse and minor children (if any)	-	-	-	-	-

No family relationship with any of the Directors or any member of the Management Team.

MR. NEELAKANTAN VASUDEVAN

POSITION	Vice President (Risk Management)
AGE	63 years
EDUCATION	Post Graduate Diploma in International Trade from Indian Institute of Foreign Trade, New Delhi, India Master's Degree in Management Studies (M.M.S), University of Bombay, Mumbai, India
EXPERIENCE	<ul style="list-style-type: none">• 2005 - Present Vice President (Risk Management), Precious Shipping Public Company Limited• 1999 - 2004 Assistant Vice President (Risk Management), Precious Shipping Public Company Limited• 1995 - 1998 Insurance & Claims Manager, Precious Shipping Public Company Limited• 1985 - 1995 Deputy Manager, Shipping Corporation of India Limited
POSITIONS HELD IN OTHER ORGANISATIONS:	<ul style="list-style-type: none">• 2024 - Present Committee Member, Strike & Delay Class, NorthStandard

NO. OF SHARES HELD (SHARES) AS OF YEAR END 2024:

Description	As of 1 Jan 2024	Acquisition in 2024	Disposal in 2024	Increase (Decrease) in 2024	As of 31 Dec 2024
By himself	315,082	-	-	-	315,082 (0.02% of total paid up shares)
By his spouse and minor children (if any)	29,550	-	-	-	29,550 (0.00% of total paid up shares)

No family relationship with any of the Directors or any member of the Management Team.

MR. SHANKAR GIRI SHANKAR

POSITION	Vice President (Chartering)
AGE	68 years
EDUCATION	Bachelor's Degree in Commerce, University of Madras, India.
EXPERIENCE	<ul style="list-style-type: none">• 2021 - Present Vice President (Chartering), Precious Shipping Public Company Limited• 1994 - 2020 Assistant Vice President (Chartering), Precious Shipping Public Company Limited• 1993 - 1994 Assistant Manager (Commercial), Century Shipping• 1984 - 1993 Deputy Manager (Operations), Continental Shipping• 1983 - 1984 Commercial Assistant, Jay Shree Shipping
POSITIONS HELD IN OTHER COMPANIES	Nil

NO. OF SHARES HELD (SHARES) AS OF YEAR END 2024:

Description	As of 1 Jan 2024	Acquisition in 2024	Disposal in 2024	Increase (Decrease) in 2024	As of 31 Dec 2024
By himself	-	-	-	-	-
By his spouse and minor children (if any)	-	-	-	-	-

No family relationship with any of the Directors or any member of the Management Team.

MR. MINHAJ ZAFAR

POSITION	Vice President (Procurement and Technical)
AGE	66 Years
EDUCATION	Bachelor's Degree in Marine Engineering, Directorate of Marine Engineering Training, Kolkata Diploma in Ship Management, Lloyd's Maritime Academy, UK
EXPERIENCE	<ul style="list-style-type: none">• 2021 - Present Vice President (Procurement and Technical), Precious Shipping Public Company Limited• 2017 - 2020 Assistant Vice President (Procurement), Precious Shipping Public Company Limited• 1996 - 2016 Senior Manager (Technical), Precious Shipping Public Company Limited• 1993 - 1996 Chief Engineer, Precious Shipping Public Company Limited

- 1988 - 1993

Chief Engineer, India Steam Ship Company Ltd, Kolkata and Univan Ship Management, Hong Kong

POSITIONS HELD IN OTHER COMPANIES

Nil

NO. OF SHARES HELD (SHARES) AS OF YEAR END 2024:

Description	As of 1 Jan 2024	Acquisition in 2024	Disposal in 2024	Increase (Decrease) in 2024	As of 31 Dec 2024
By himself	16,450	-	-	-	16,450 (0.00% of total paid up shares)
By his spouse and minor children (if any)	-	-	-	-	-

No family relationship with any of the Directors or any member of the Management Team.

MR. NARIT LIKKASITTIPHAN

POSITION

Vice President (Technical)

AGE

58 years

EDUCATION

Bachelor's Degree in Marine Engineer
Merchant Marine Training Centre, Thailand

EXPERIENCE

- January 2021 - Present Vice President (Technical), Precious Shipping Public Company Limited
- January 2017 - December 2020 Assistant Vice President (Technical), Precious Shipping Public Company Limited
- November 2003 - December 2016 Senior Manager (Technical), Precious Shipping Public Company Limited
- May 1991 - October 2003 Engineer and Chief Engineer, Precious Shipping Public Company Limited

POSITIONS HELD IN OTHER COMPANIES

Director in the Company's 25 subsidiaries
(Subsidiary Companies Nos. 1-24 and 26 on page 87 of this Annual Report)

NO. OF SHARES HELD (SHARES) AS OF YEAR END 2024:

Description	As of 1 Jan 2024	Acquisition in 2024	Disposal in 2024	Increase (Decrease) in 2024	As of 31 Dec 2024
By himself	-	-	-	-	-
By his spouse and minor children (if any)	-	-	-	-	-

No family relationship with any of the Directors or any member of the Management Team.

MS. SOMPRATHANA THEPNAPAPLERN

POSITION

Vice President - Corporate Finance, Company Secretary

AGE

54 years

EDUCATION

Master of Science in Accounting, Thammasat University
Bachelor of Business Administration in Accounting, Thammasat University
Certified Public Accountant of Federation of Accounting professions

TRAINING

- March 2022 Attended the TCFD Climate-related disclosures and implementation held by the Securities and Exchange Commission, Thailand
- 22 - 23 June 2021 Attended the "TCFD & SDGs Workshop: Advanced" held by the Stock Exchange of Thailand
- September & November 2019 Workshop for TFRS 9 Financial Instruments: Classification, Measurement, Impairment, Disclosure and Hedge Accounting of Financial Instruments held by Federation of Accounting Profession
- June 2018 Attended the training course on the topic "Sustainability Evaluation and Data Management" held by the Stock Exchange of Thailand
- February 2017 Completed "Director Accreditation Program" (DAP 134/2017) of Thai Institute of Directors (IOD)
- June 2010 Attended the training course on the topic "Effective Minute Taking" held by the Thai Institute of Directors
- October 2004 Attended the training course on the topic "Company Secretary Program" held by the Thai Institute of Directors

EXPERIENCE

- 2021 - Present Vice President - Corporate Finance, Precious Shipping Public Company Limited
- May 2008 - Present Company Secretary, Precious Shipping Public Company Limited
- 1999 - 2020 Assistant Vice President (Finance & Accounts), Precious Shipping Public Company Limited
- 1996 - 1999 Finance Executive, Precious Shipping Public Company Limited
- 1992 - 1996 Senior Auditor, SGV-Na Thalang & Co., Ltd.

POSITIONS HELD IN OTHER COMPANIES

Nil

NO. OF SHARES HELD (SHARES) AS OF YEAR END 2024:

Description	As of 1 Jan 2024	Acquisition in 2024	Disposal in 2024	Increase (Decrease) in 2024	As of 31 Dec 2024
By herself	269,800	-	-	-	269,800 (0.02% of total paid up shares)
By her spouse and minor children (if any)	-	-	-	-	-

No family relationship with any of the Directors or any member of the Management Team.

MS. WIMONWAN JAYSRICHAJ**POSITION**

Vice President - Group Accounts*

(*The person who supervises accounting in the Company, and is a qualified accountant who has the qualifications and conditions in accordance with the rules specified in the Notification of the Business Development Department)

AGE

51 years

EDUCATION

Master's Degree in Financial Accounting from Chulalongkorn University

Bachelor's Degree in Commerce and Accountancy from Thammasat University

Certified Public Accountant of Federation of Accounting professions

TRAINING

- September 2024 CFO Forum 2024 Shaping the Future of Finance held by EY Thailand (total 6 hours)
- March 2024 KPMG Business Leaders' Summit 2024 held by KPMG (total 6 hours)
- November 2023 Certificate of Digital Accountant held by the TFAC (total 30 hours)
- June 2023 CFO training held by PwC Thailand (total 6 hours)
- March 2023 2nd DigitalCFO Asia Thailand Symposium 2023 held by DigitalCFO (total 6 hours)
- November 2022 Transfer Pricing Documentation held by NYC (total 7 hours)
- July 2022 Summary of financial reporting standards TFRS that have changed and come into force in 2023 held by the SET (total 3 hours)
- March 2022 Digital Asset and business growth opportunities (New S-Curve), held by the SET (total 6 hours)
- February 2022 Attended the "TCFD & SDGs Workshop: Advanced" held by the SEC (total 5 hours)
- February 2022 Upgrade financial personnel to become The Next Normal Financial Professional held by the SET (total 3 hours)

EXPERIENCE

- 2021 - Present Vice President - Group Accounts, Precious Shipping Public Company Limited
- 2019 - 2020 Assistant Vice President - Group Accounts, Precious Shipping Public Company Limited
- August 2015 - 2019 Senior Manager : Group Accounts, Precious Shipping Public Company Limited
- 1999 - July 2015 Senior Manager : Accounts, Precious Shipping Public Company Limited
- 1995 - 1999 Senior Auditor, PricewaterhouseCoopers ABAS Ltd. (PwC)

POSITIONS HELD IN OTHER COMPANIES

Nil

NO. OF SHARES HELD (SHARES) AS OF YEAR END 2024:

Description	As of 1 Jan 2024	Acquisition in 2024	Disposal in 2024	Increase (Decrease) in 2024	As of 31 Dec 2024
By herself	3,014	-	-	-	3,014 (0.00% of total paid up shares)
By her spouse and minor children (if any)	1,075,000	-	-	-	1,075,000 (0.07% of total paid up shares)

Ms. Wimonwan Jaysrichai is the spouse of Mr. Chandrasekar Sivaraman Venkatraman.

MS. NALINTHIP SANTINANON

POSITION Assistant Vice President (Accounts & MIS)
AGE 42 years
EDUCATION Master's Degree in Accounting from Thammasat University
 Bachelor's Degree in Accountancy from Chulalongkorn University
 Certified Public Accountant of Federation of Accounting professions

EXPERIENCE

- 2021 - Present Assistant Vice President (Accounts & MIS), Precious Shipping Public Company Limited
- August 2015 - 2020 Senior Manager (Accounts & MIS), Precious Shipping Public Company Limited
- August 2009 - July 2015 Manager - Accounts, Precious Shipping Public Company Limited
- April 2003 - July 2009 Auditor, EY Office Limited

POSITIONS HELD IN OTHER COMPANIES

Nil

NO. OF SHARES HELD (SHARES) AS OF YEAR END 2024:

Description	As of 1 Jan 2024	Acquisition in 2024	Disposal in 2024	Increase (Decrease) in 2024	As of 31 Dec 2024
By herself	-	-	-	-	-
By her spouse and minor children (if any)	-	-	-	-	-

No family relationship with any of the Directors or any member of the Management Team.

None of the Directors or anyone from the Management Team have been penalized for criminal and/or civil offences by the SEC under the Securities and Exchange Act B.E. 2535 and all relevant laws and regulations.

OTHER RELEVANT PERSONS IN THE ORGANISATION

- **Authorized Directors of the Company:** Mr. Khalid Moinuddin Hashim, Mr. Kirit Shah, Mr. Ishaan Shah and Mr. Gautam Khurana (*Signing Power: any two of the Authorized Directors with the Company's Seal*).
- **The person who takes the highest responsibility for finance and accounting in the Company:** Mr. Gautam Khurana (*his detailed profile is disclosed hereunder in the sub-section of "Board of Directors - Profile" of this Enclosure 1: Information on Relevant Persons in the Organisation*).
- **The person who supervises accounting in the Company:** Ms. Wimonwan Jaysrichai (*her detailed profile is disclosed hereunder in the sub-section of "Management Team - Profile" of this Enclosure 1: Information on Relevant Persons in the Organisation*).
- **Company Secretary:** Ms. Somprathana Thepnapaplern (*her detailed profile is disclosed hereunder in the sub-section of "Management Team - Profile" of this Enclosure 1: Information on Relevant Persons in the Organisation*).

In keeping with good corporate governance, the Company designated Ms. Somprathana Thepnapaplern as the Company Secretary. She is entrusted with duties and responsibilities in accordance with the Securities and Exchange Act, including overseeing and advising the Board and the Management on applicable laws, rules, regulations, and good corporate governance, besides taking the responsibility of holding the Board and shareholders' meetings. The additional tasks include assisting the Board in complying with resolutions and safeguarding the Company's documents and information. The Company Secretary also provides any newly appointed director with the background of the Company's business, profile, and industry along with all the relevant documents such as the Director's handbook, the Company's corporate documents, CG Policy Manual, Business Ethics and Code of Conduct Manual, Anti-Corruption Policy, laws, regulations and practices which are related to the trading of Company's shares.

- **Head of Legal and Compliance Department:** Ms. Sirasa Supawasin (*her detailed profile is disclosed hereunder the sub-section of "Board of Directors - Profile" of this Enclosure 1: Information on Relevant Persons in the Organisation*).
- **Head of the Internal Audit Department:** Ms. Panida Satjadechachai

POSITION	Internal Audit Manager
AGE	48 years
EDUCATION	Master's Degree in Accounting, Thammasat University
TRAINING	
October 2024	Certificate for Leader IA Reviewer by Federation of Accounting Professions (TFAC)
September 2024	Interpretation of ISO/IEC 27001:2022 Requirements by Bureau Veritas Thailand
July 2024	Working Paper for Better Corruption Prevention by Federation of Accounting Professions (TFAC)
November 2023	Seminar 'COSO - Enterprise Risk Management (ERM) 2017' by Thai Listed Companies Association (TLCA)
October 2023	Master Class training 'Environment, Social & Governance (ESG) & Climate Change Reporting' by Singapore Management University and the Stock Exchange of Thailand
November 2022	Certificate in ESG Management (2/2022) by the Stock Exchange of Thailand
June 2022	ISO27001:2013 Internal Audit Training Course by Bureau Veritas Thailand
November 2021	TCFD & SDGs Workshop: TCFD in Finance by UK PACT Green Recovery Challenge Fund and the Stock Exchange of Thailand

October 2021	TCFD & SDGs Workshop: ESG Risk Analysis and GHG Accounting by UK PACT Green Recovery Challenge Fund and the Stock Exchange of Thailand
October 2021	Personal Data Protection Law for Practitioners held by Law and Development Research Center (LDRC), Faculty of Law, Chulalongkorn University
June 2021	TCFD & SDGs Workshop: Advanced by UK PACT Green Recovery Challenge Fund and the Stock Exchange of Thailand
May 2021	TCFD & SDGs Workshop: Beginners by UK PACT Green Recovery Challenge Fund and the Stock Exchange of Thailand
August 2020	Sustainable Supply Chain Management held by Corporate Social Responsibility Institute (CSRI)
June 2019	Company Secretary Program held by the Thai Institute of Directors (IOD)

EXPERIENCE

August 2012 - Present	Internal Audit Manager, Precious Shipping Public Company Limited
2006 - 2012	Assistant Internal Audit Manager, Precious Shipping Public Company Limited

NO. OF SHARES HELD (SHARES) AS OF YEAR END 2024:

Description	As of 1 Jan 2024	Acquisition in 2024	Disposal in 2024	Increase (Decrease) in 2024	As of 31 Dec 2024
By herself	-	-	-	-	-
By her spouse and minor children (if any)	-	-	-	-	-

No family relationship with any of the Directors or any member of the Management Team.

Enclosure 2 - Information on Directors in Subsidiaries

(as of 31 December 2024)

Name	Details	PSL	Subsidiaries Nos. 1-12, 26	Subsidiaries Nos. 13-24	Subsidiaries No. 25	Subsidiaries Nos. 27-57	Subsidiaries Nos. 58-59
(1) Mr. Chaipatr Srivisarvacha		X					
(2) Mr. Kamtom Sila-On		/					
(3) Mr. Khalid Moinuddin Hashim		//	/	/	/	/	/
(4) Mr. Gautam Khurana		//	/	/	/	/	/
(5) Mr. Khushroo Kali Wadia		/					
(6) Ms. Nishita Shah		/					
(7) Mr. Kirit Shah		/					
(8) Professor Dr. Pavida Pananond		/					
(9) Mr. Ishaan Shah		/	/	/	/		
(10) Ms. Pensri Suteerasarn		/					
(11) Ms. Sirasa Supawasin		/					
(12) Ms. Qiyu (Jackie) Wang		/					
(13) Mr. Chandrasekhar Sivaraman Venkatraman		//	/	/	/	/	/
(14) Mr. Narit Likkasittiphan			/	/			
(15) Mr. Akasit Lawsirirut			/				
(16) Mr. Panya Thangto				/			
(17) Mr. Henry Charles Mytton Mills						/	
(18) Mr. Ajaib Hari Dass						/	

Remarks: / = Director X = Chairman // = Executive Director

Enclosure 3

CORPORATE GOVERNANCE POLICY MANUAL

The corporate governance policy manual can be viewed on the Company's website, <https://www.preciousshipping.com>, under the 'Corporate Governance' section or scan the QR code to download the full report.



Enclosure 4

BUSINESS ETHICS AND CODE OF CONDUCT MANUAL

The business ethics and code of conduct manual can be viewed on the Company's website, <https://www.preciousshipping.com>, under the 'Corporate Governance' section or scan the QR code to download the full report.



Enclosure 5

GRI CONTENT INDEX

The GRI content index can be viewed on the Company's website, <https://www.preciousshipping.com>, under the 'Sustainable Development' section in the 'SD Framework & Strategy' subsection or scan the QR code to download the full report.



Enclosure 6

GREENHOUSE GAS VERIFICATION STATEMENT

Greenhouse Gas Verification Statement can be viewed on the Company's website, <https://www.preciousshipping.com>, under the 'Sustainable Development' section in the 'Green House Gas Emissions Management' subsection or scan the QR code to download the full report.





Precious Shipping Public Company Limited

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