

**THE GREAT EASTERN
SHIPPING COMPANY LIMITED**
CIN: L35110MH1948PLC006472



OCEAN HOUSE, 134/A, Dr. Annie Besant Road, Worli, Mumbai - 400 018, INDIA. Tel.: +91(22) 6661 3000 / 2492 2100 Fax : +91(22) 2498 5335

Our Ref.: S/2023/JMT

October 27, 2023

BSE Limited

1st Floor, Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor, Plot No. C/1,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400 051

BSE Scrip code: **500620**

Trading Symbol - **GESHIP**

Dear Sir,

We enclose herewith Investor Presentation pertaining to the Financial Results for the quarter and half year ended September 30, 2023.

You are requested to take note of the above.

Thanking You,
Yours faithfully,

For The Great Eastern Shipping Company Limited

Anand Punde

Company Secretary

Email Id: anand_punde@greatship.com



THE GREAT EASTERN
SHIPPING CO. LTD.

 The Great Eastern
Shipping Co. Ltd.



Q2FY24 Earnings Presentation 31 OCTOBER 2023

DISCLAIMER



Except for historical information, the statements made in this presentation constitute forward looking statements. These include statements regarding the intent, belief or current expectations of GE Shipping and its management regarding the Company's operations, strategic directions, prospects and future results which in turn involve certain risks and uncertainties. Certain factors may cause actual results to differ materially from those contained in the forward looking statements; including changes in freight rates; global economic and business conditions; effects of competition and technological developments; changes in laws and regulations; difficulties in achieving cost savings; currency, fuel price and interest rate fluctuations etc. The Company assumes no responsibility with regard to publicly amending, modifying or revising the statements based on any subsequent developments, information or events that may occur.

Q2FY24 HIGHLIGHTS



- Net profits of INR 595 Cr on a consolidated basis
- Our consolidated NAV has moved in H1FY24 to INR 1,263/share. First time, our shipping NAV has moved past INR 1,000/Share
- Declared 2nd Interim dividend of INR 6.30 /Share for Q2FY2024

REPORTED HIGHLIGHTS



- GE Shipping Q2FY24 consolidated Net Profit at INR 595 Cr
- Declared 2nd Interim dividend of INR 6.30/Share for Q2FY2024

| Fig in INR Crores | Standalone | | | Conslidated | | |
|-----------------------------|------------|------------|------------|-------------|------------|------------|
| | Q2 FY24 | Q2 FY23 | H1 FY24 | Q2 FY24 | Q2 FY23 | H1 FY24 |
| Income Statement | | | | | | |
| Revenue* | 1,182 | 1,402 | 2,290 | 1,461 | 1,700 | 2,796 |
| EBITDA* | 723 | 878 | 1,469 | 876 | 1,046 | 1,719 |
| Net Profit | 536 | 688 | 1,102 | 595 | 769 | 1,171 |
| Balance Sheet | | | | | | |
| Total Assets | 12,849 | 11,757 | 12,849 | 15,990 | 14,993 | 15,990 |
| Equity | 9,317 | 7,500 | 9,317 | 11,149 | 9,134 | 11,149 |
| Gross Debt | 2,505 | 3,014 | 2,505 | 3,473 | 4,204 | 3,473 |
| Net Debt | (2,658) | (812) | (2,658) | (2,617) | (575) | (2,617) |
| Cash Flows | | | | | | |
| - From Operating Activities | 475 | 745 | 1,156 | 570 | 927 | 1,312 |
| - From Investing Activities | 139 | 166 | 171 | 120 | 118 | 106 |
| - From Financing Activities | (219) | (286) | (399) | (315) | (354) | (564) |
| Net Cash Inflow/Outflow | 395 | 625 | 928 | 375 | 691 | 854 |

* Including Other Income

NORMALISED FINANCIALS



- The impact of the exchange rate on foreign currency loans and current assets and liabilities, including cash and bank balances, has been removed
- NCD & Currency Swap:
- Funds raised through NCDs have been swapped into USD using INR-FCY swaps, thus creating synthetic fixed rate USD loans.
- The MTM change of these swaps impacts the reported numbers.
- Normalized numbers are worked out after making necessary adjustments to reported numbers to reflect the effective cost of the synthetic USD loans.

NORMALISED FINANCIAL HIGHLIGHTS



| | Standalone | | | Consolidated | | |
|-------------------------|------------|------------|------------|--------------|------------|------------|
| | Q2 FY24 | Q2 FY23 | H1 FY24 | Q2 FY24 | Q2 FY23 | H1 FY24 |
| Fig in INR Crores | | | | | | |
| Income Statement | | | | | | |
| Revenue* | 1,182 | 1,402 | 2,290 | 1,461 | 1,700 | 2,796 |
| EBITDA* | 710 | 838 | 1,385 | 843 | 969 | 1,619 |
| Net Profit | 548 | 680 | 1,065 | 596 | 731 | 1,125 |
| Balance Sheet | | | | | | |
| Total Assets | 12,849 | 11,757 | 12,849 | 15,990 | 14,993 | 15,990 |
| Equity | 9,317 | 7,500 | 9,317 | 11,149 | 9,134 | 11,149 |
| Gross Debt | 3,019 | 3,633 | 3,019 | 3,987 | 4,823 | 3,987 |
| Net Debt | (2,145) | (193) | (2,145) | (2,104) | 44 | (2,104) |

* Including Other Income

- GE Shipping Q2FY24 consolidated Net Profit at INR 596 Cr
- Declared 2nd Interim dividend of INR 6.30/Share for Q2FY2024

NORMALISED FINANCIAL HIGHLIGHTS



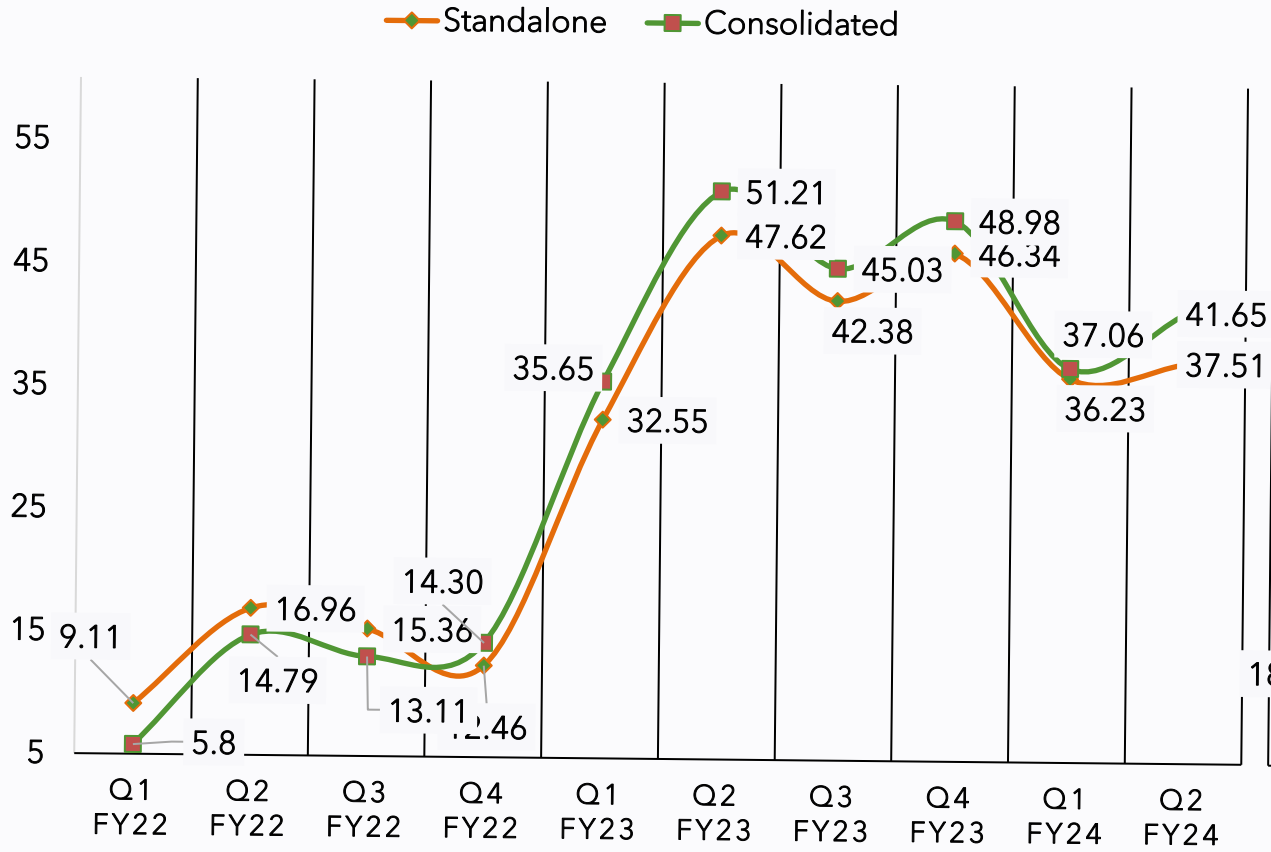
| | Standalone | | | Consolidated | | |
|---------------------------------------|------------|------------|------------|--------------|------------|-------------|
| | Q2 FY24 | Q2 FY23 | H1 FY24 | Q2 FY24 | Q2 FY23 | H1 FY24 |
| Key Financial Figure | | | | | | |
| Return on Equity (ROE%)** | 24% | 38% | 24% | 22% | 33% | 21% |
| Return on Capital Employed (ROCE%)** | 19% | 26% | 19% | 17% | 23% | 16% |
| Gross Debt/Equity (x) | 0.32 | 0.48 | 0.32 | 0.36 | 0.53 | 0.36 |
| Net Debt/Equity (x) | (0.23) | (0.03) | (0.23) | (0.19) | 0.00 | (0.19) |
| Earnings Per Share (EPS - INR/Share) | 38.37 | 47.62 | 74.60 | 41.76 | 51.21 | 78.81 |
| Cash Profit Per Share (INR/Share) | 46.68 | 55.65 | 90.85 | 54.84 | 63.89 | 104.48 |
| Dividend Per Share (INR/Share) | 6.30 | 7.20 | 19.20 | 6.30 | 7.20 | 19.20 |
| Net Asset Value Per Share (INR/Share) | 1020 | 809 | 1020 | 1,241-1,285 | 901-968 | 1,241-1,285 |

**Annualised

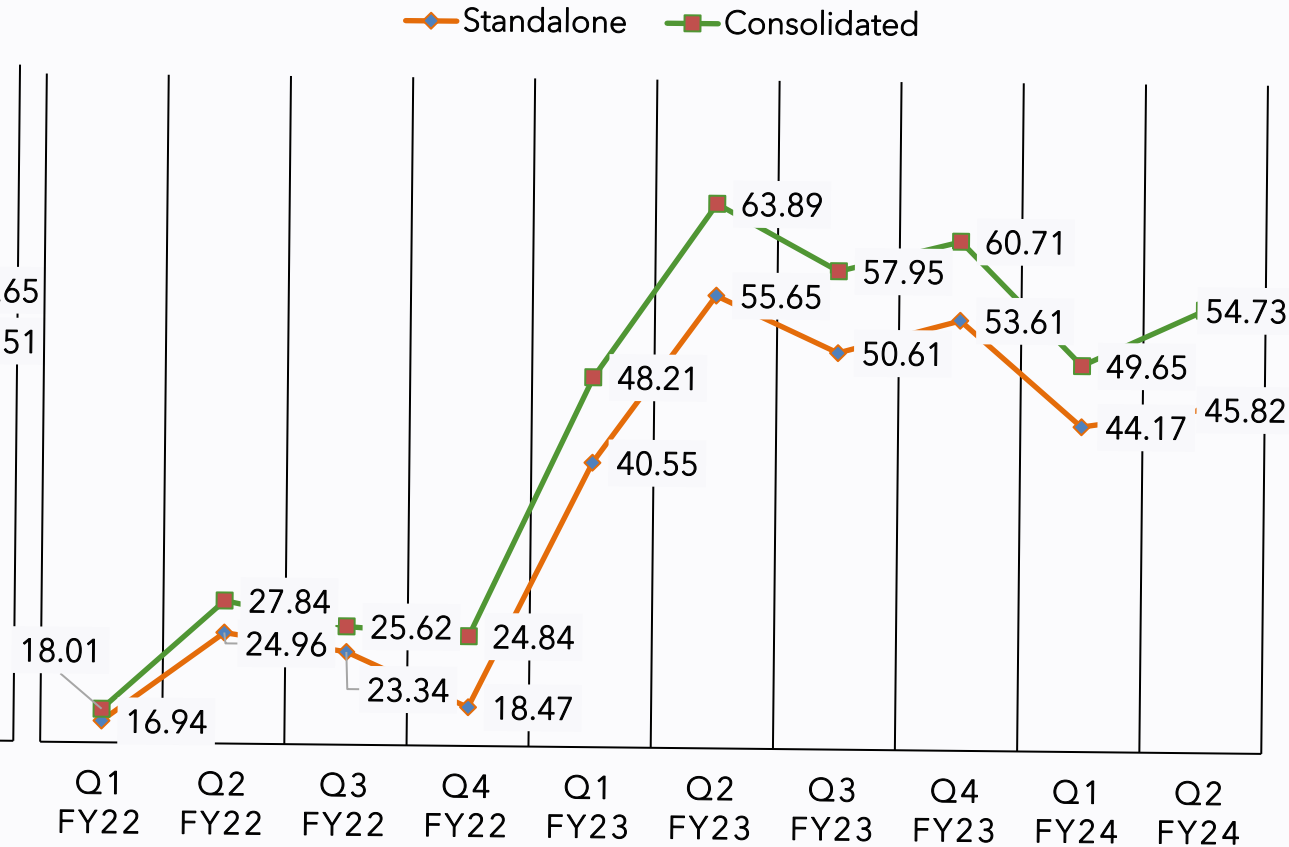
NORMALISED FINANCIALS - KEY RATIOS



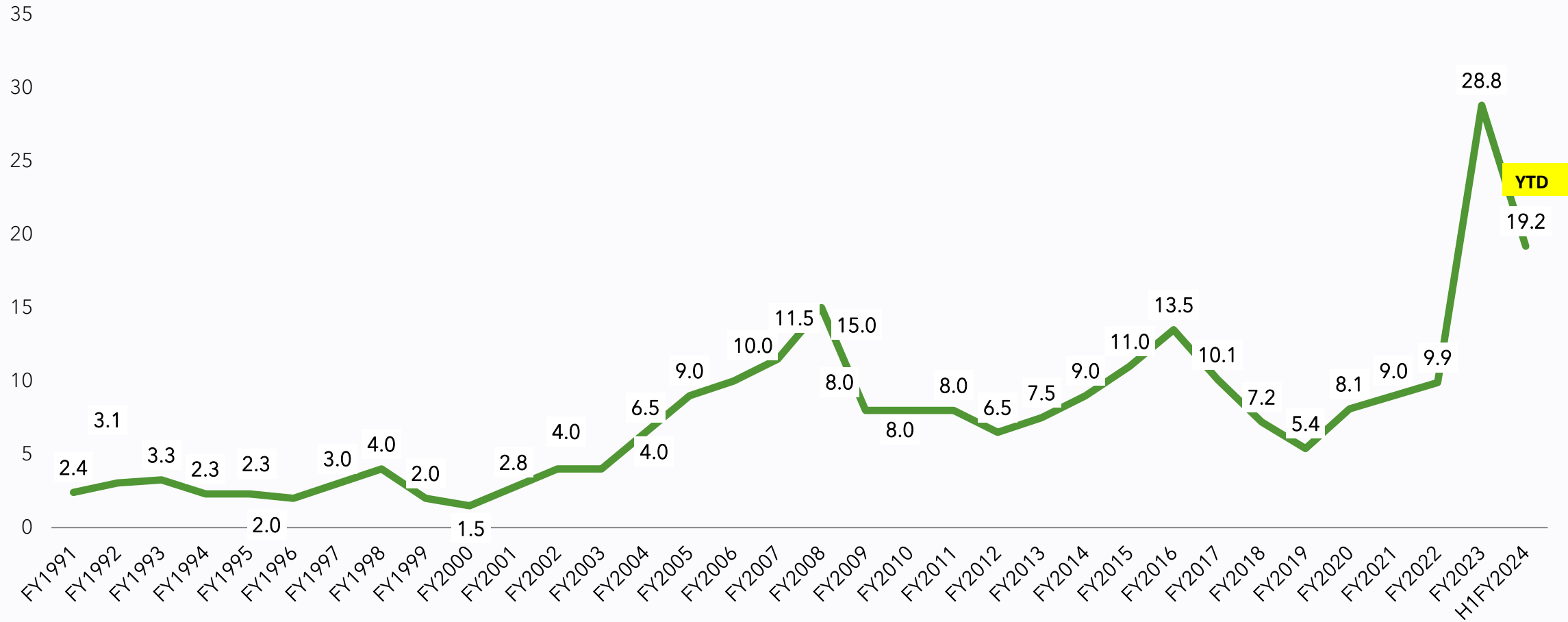
Earnings per Share (INR/Share)



Cash Profit per Share (INR/Share)



CONSISTENT DIVIDEND PAYOUTS



Dividend Per Share (INR/Share)

PROFIT & LOSS STATEMENT - INDUSTRY FORMAT



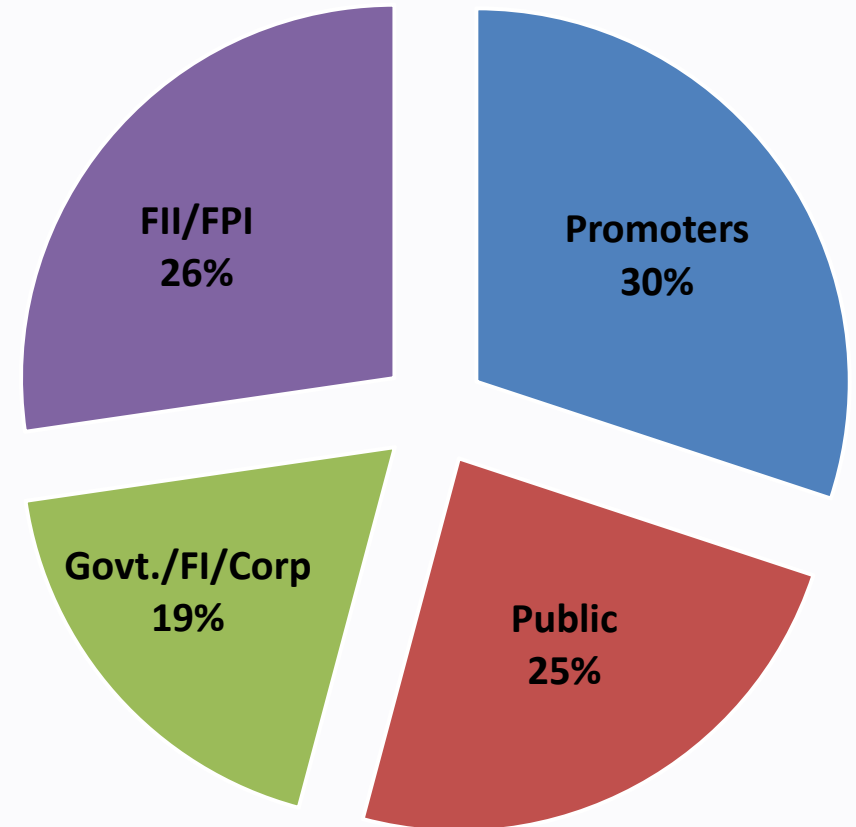
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| | Standalone | | | Consolidated | | |
|--|------------|------------|--------------|--------------|--------------|--------------|
| | Q2 FY24 | Q2 FY23 | H1 FY24 | Q2 FY24 | Q2 FY23 | H1 FY24 |
| Figures in INR Crores | | | | | | |
| Operating Revenue | 930 | 1,239 | 1,964 | 1,184 | 1,440 | 2,461 |
| Less: Direct Operating Expenses/Voyage Expenses Time Charter Equivalent (A) | 177 | 311 | 332 | 184 | 317 | 340 |
| | 753 | 928 | 1,632 | 1,001 | 1,123 | 2,121 |
| Profit on Sale of Ships and Other Assets | 141 | 117 | 142 | 141 | 117 | 142 |
| Other Income | 111 | 46 | 185 | 136 | 143 | 193 |
| Total Other Income (B) | 252 | 163 | 326 | 277 | 260 | 335 |
| Other Operating Expense | 222 | 202 | 431 | 334 | 293 | 642 |
| Administrative and General Expense | 73 | 52 | 142 | 98 | 72 | 189 |
| Total Expense (C) | 295 | 253 | 573 | 432 | 364 | 832 |
| EBITDA D = (A+B+C) | 710 | 838 | 1,385 | 846 | 1,019 | 1,624 |
| Depreciation and Amortisation (E) | 119 | 115 | 232 | 187 | 181 | 366 |
| Impairment (F) | - | - | - | - | - | - |
| Operating Profit Including Other Income G= (D-E-F) | 591 | 723 | 1,153 | 659 | 838 | 1,258 |
| Finance Expense (H) | 53 | 67 | 103 | 77 | 88 | 139 |
| Derivative Losses/ (Gains) (I) | 24 | 23 | (42) | 8 | 18 | (55) |
| Foreign Currency Exchange Losses/(Gains) (J) | (37) | (63) | (41) | (38) | (45) | (39) |
| Income Tax Expense (K) | 16 | 9 | 32 | 17 | 8 | 42 |
| Net Profit (G-H-I-J) | 536 | 688 | 1,102 | 595 | 769 | 1,171 |

GE Shipping – Q2FY24 Results



SHAREHOLDING PATTERN



30-SEP-2023

PERFORMANCE REVIEW



| Breakup of Revenue Days (Shipping) Revenue Days | Q2 FY24 | Q2 FY23 |
|--|--------------|--------------|
| Owned Tonnage | 3,734 | 3,761 |
| Inchartered Tonnage | 35 | 267 |
| Total Revenue Days | 3,769 | 4,028 |
| Total Owned Tonnage (mn.dwt) | 3.28 | 3.44 |

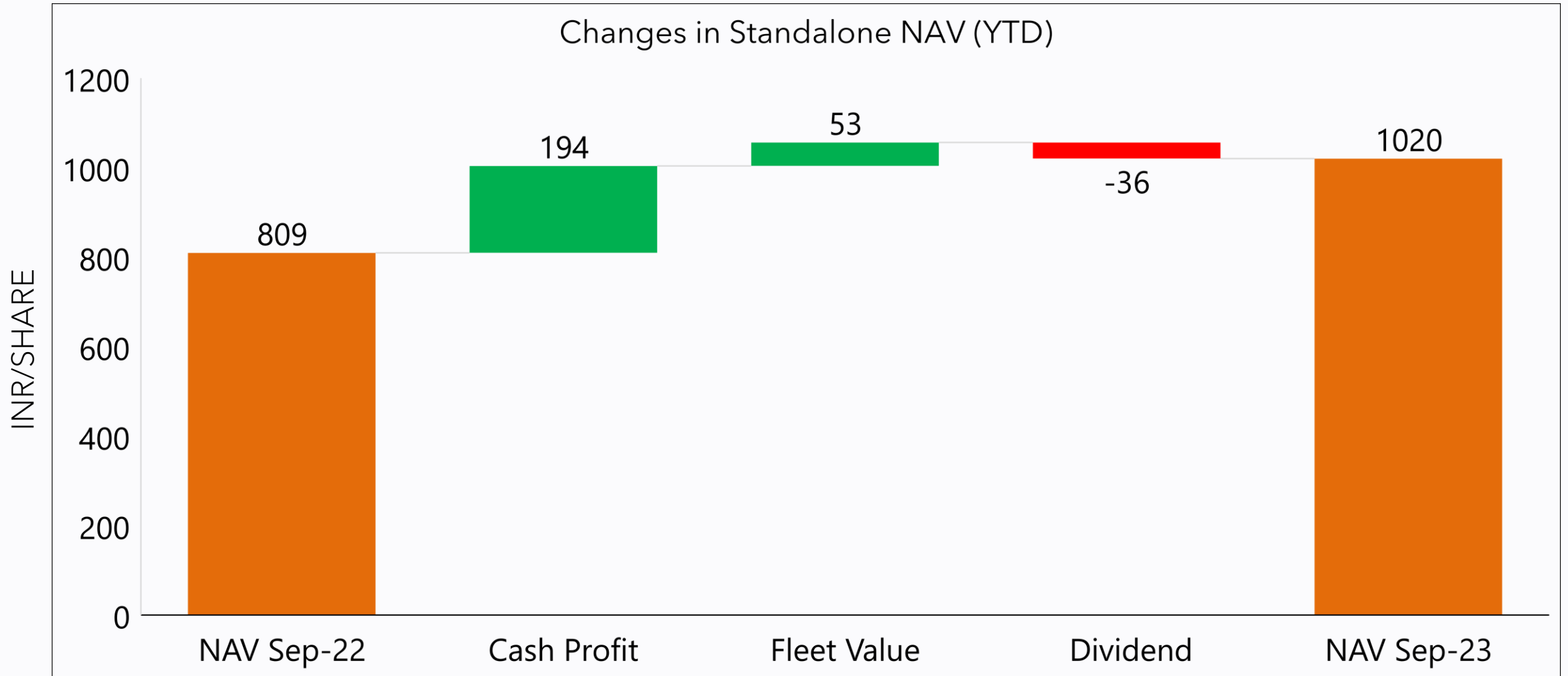
| Breakup of Revenue Days (Offshore) Revenue Days | Q2 FY24 | Q2 FY23 |
|--|--------------|--------------|
| Offshore Logistics | 1,448 | 1,523 |
| Drilling Services | 365 | 339 |
| Total | 1,813 | 1,862 |

PERFORMANCE REVIEW



| Avg TCYs in Various Categories Avg (TCYs USD/Day) | Q2 FY24 | Q1 FY24 | QoQ % | Q2 FY23 | YoY % |
|--|---------------|------------|----------|------------|----------|
| Crude Carriers | 40,645 | 53,344 | -24% | 33,076 | 23% |
| Product Carriers | 27,743 | 33,142 | -16% | 35,691 | -22% |
| LPG Carriers | 31,100 | 28,860 | 8% | 31,235 | 0% |
| Dry Bulk | 11,720 | 13,608 | -14% | 21,882 | -46% |

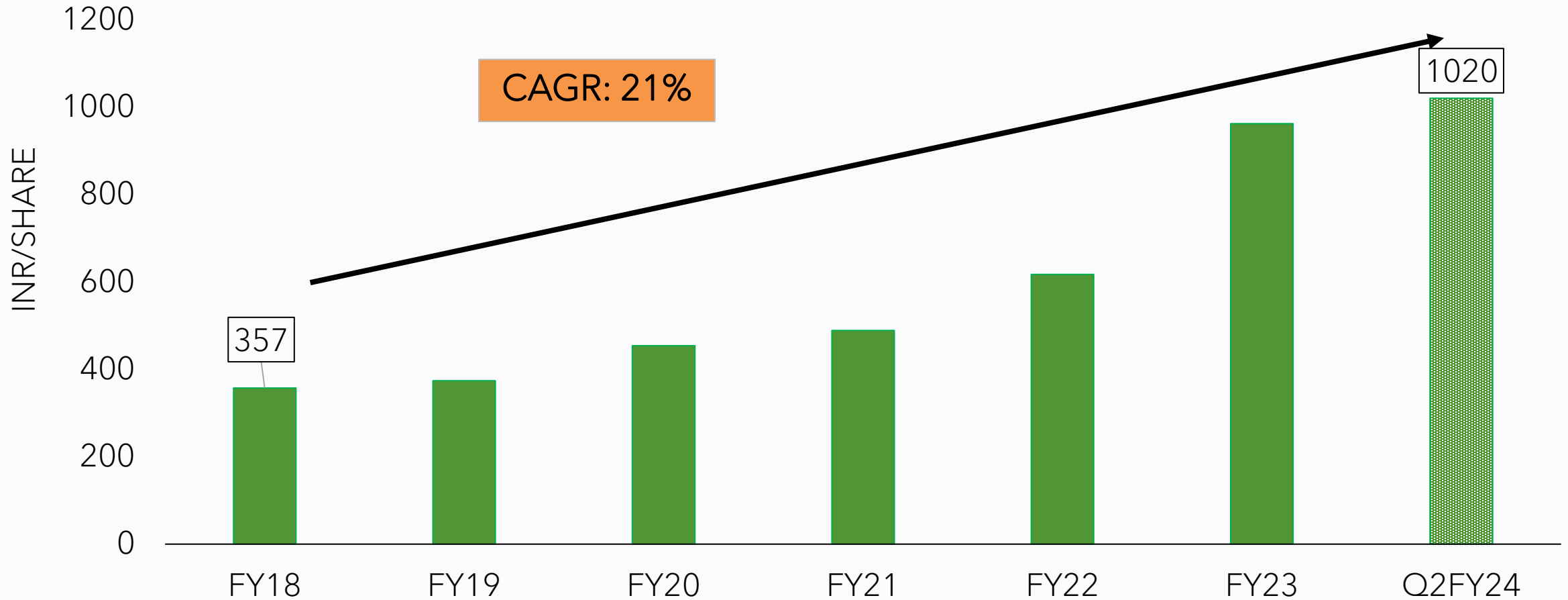
CHANGES IN STANDALONE NAV (YTD)



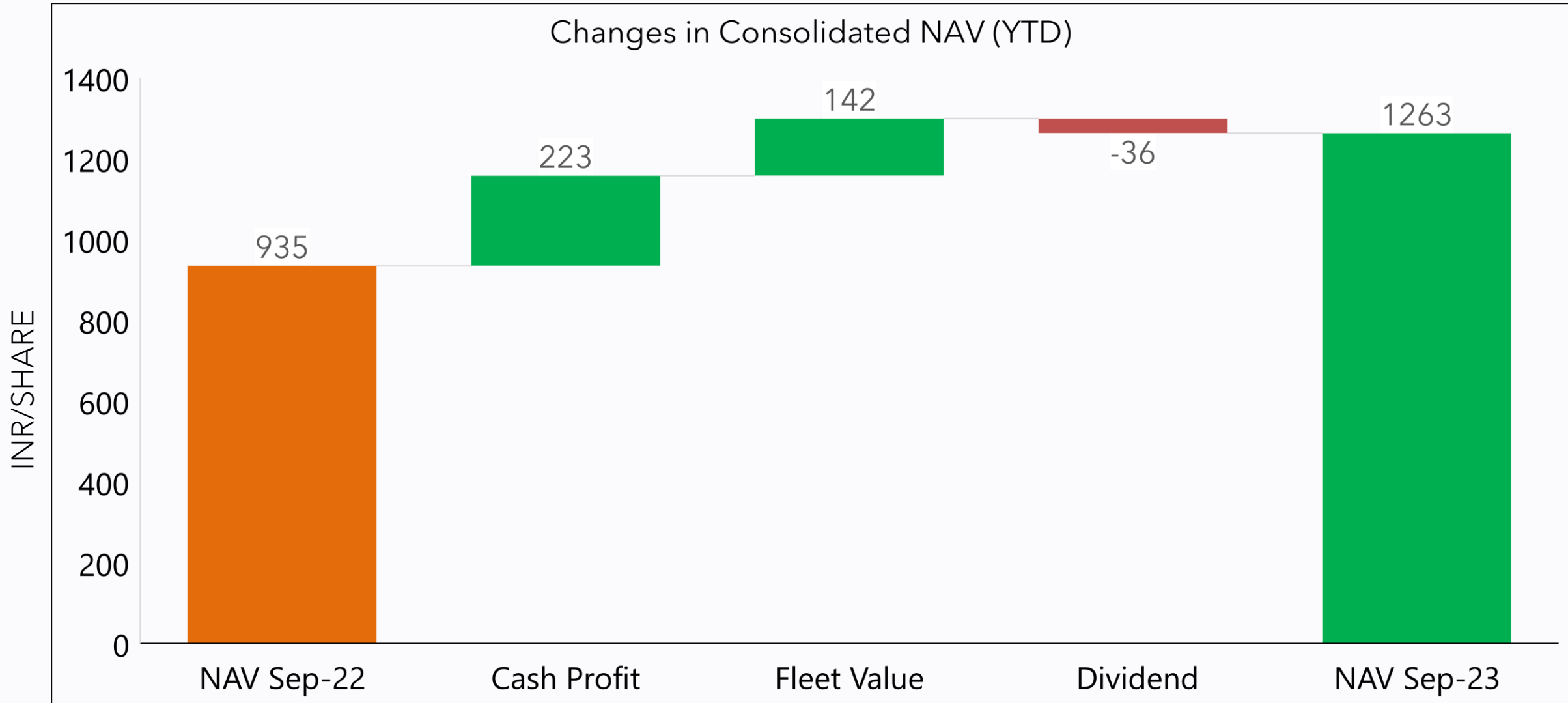
5 YEARS MOVEMENT IN STANDALONE NAV



Standalone NAV - Continue to touch new highs



CHANGES IN CONSOLIDATED NAV (YTD)



REVENUE COVERAGE



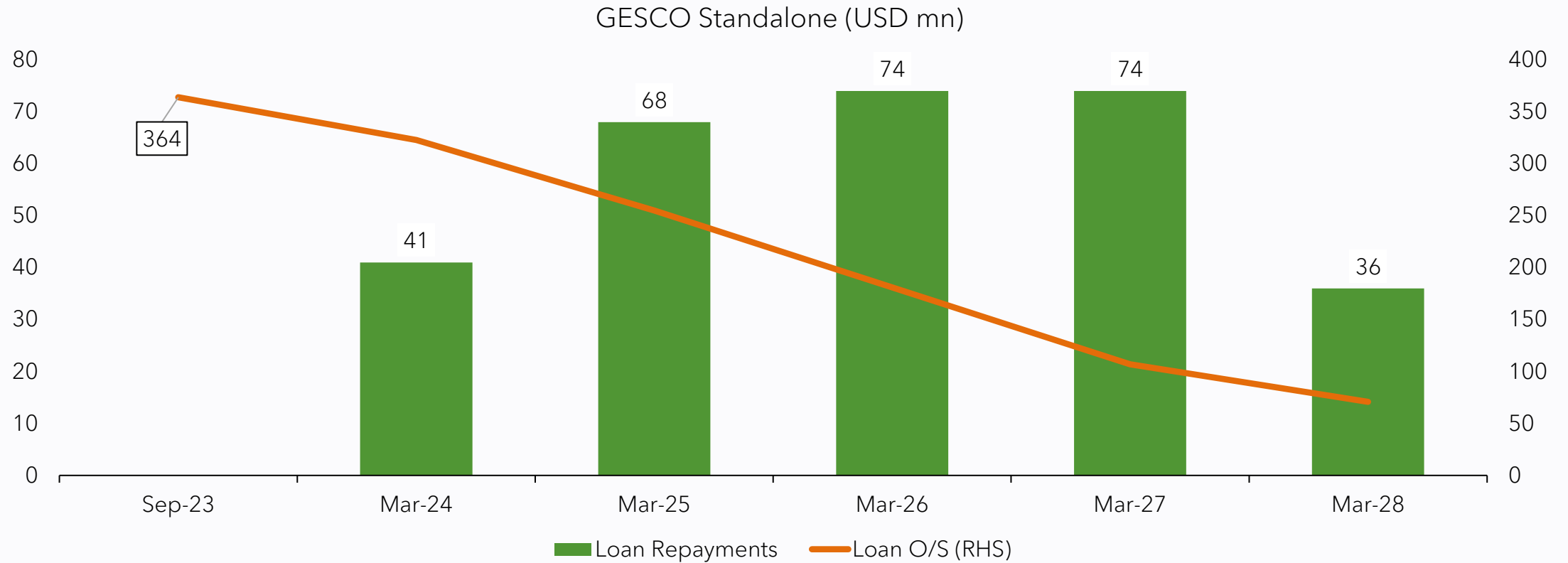
Coverage of Operating Days (Shipping)

| Category | FY24 |
|------------------|------|
| Crude Carriers | 18% |
| Product Carriers | 23% |
| LPG Carriers | 89% |
| Dry Bulk | 43% |

Revenue Days

| | |
|--------------|-----|
| Jack Up Rigs | 90% |
| AHTSV | 78% |
| MPSV | 54% |
| PSV/ROVSV | 93% |

STANDALONE DEBT REPAYMENT SCHEDULE



- 1) Effective all-in USD cost of debt of about 4.00% basis Sep-23
- 2) 95% of debt portfolio is fixed.

FLEET PROFILE



| Fleet Profile - Shipping Fleet | DWT | Fleet (30 Oct'23) | |
|-----------------------------------|------------------|-------------------|--------------|
| | Q2FY24 | No | Avg Age |
| Crude Carriers | 842,958 | 6 | 14.93 |
| Product Carriers** | 1,138,662 | 19 | 15.64 |
| Gas Carriers | 185,363 | 4 | 17.95 |
| Dry Bulk Carriers* | 1,158,355 | 13 | 10.23 |
| Total | 3,325,338 | 42 | 13.70 |

| Fleet Profile - Offshore Fleet | No. of Units | Avg Years |
|--|--------------|-----------|
| | | Yrs. |
| Jack Up Rigs | 4 | 12.07 |
| Platform Supply Vessels | 4 | 14.23 |
| Anchor Handling Tug cum Supply Vessels | 9 | 14.00 |
| Multipurpose Platform Supply & Support Vessels | 2 | 13.55 |
| ROV Support Vessels | 4 | 12.09 |

*We sold and delivered our Supramax Bulk Carrier “Jag Rohan” in October -2023

**We took delivery of MR tanker in October 2023



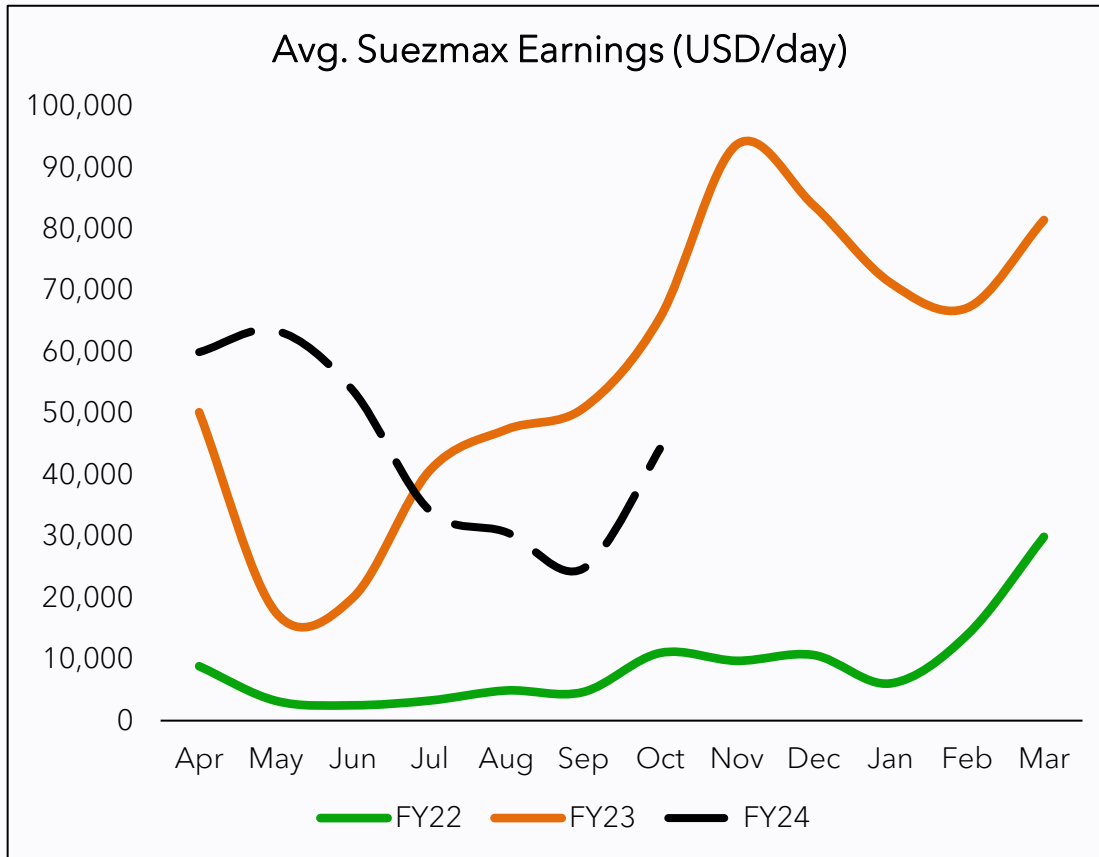
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SHIPPING MARKET

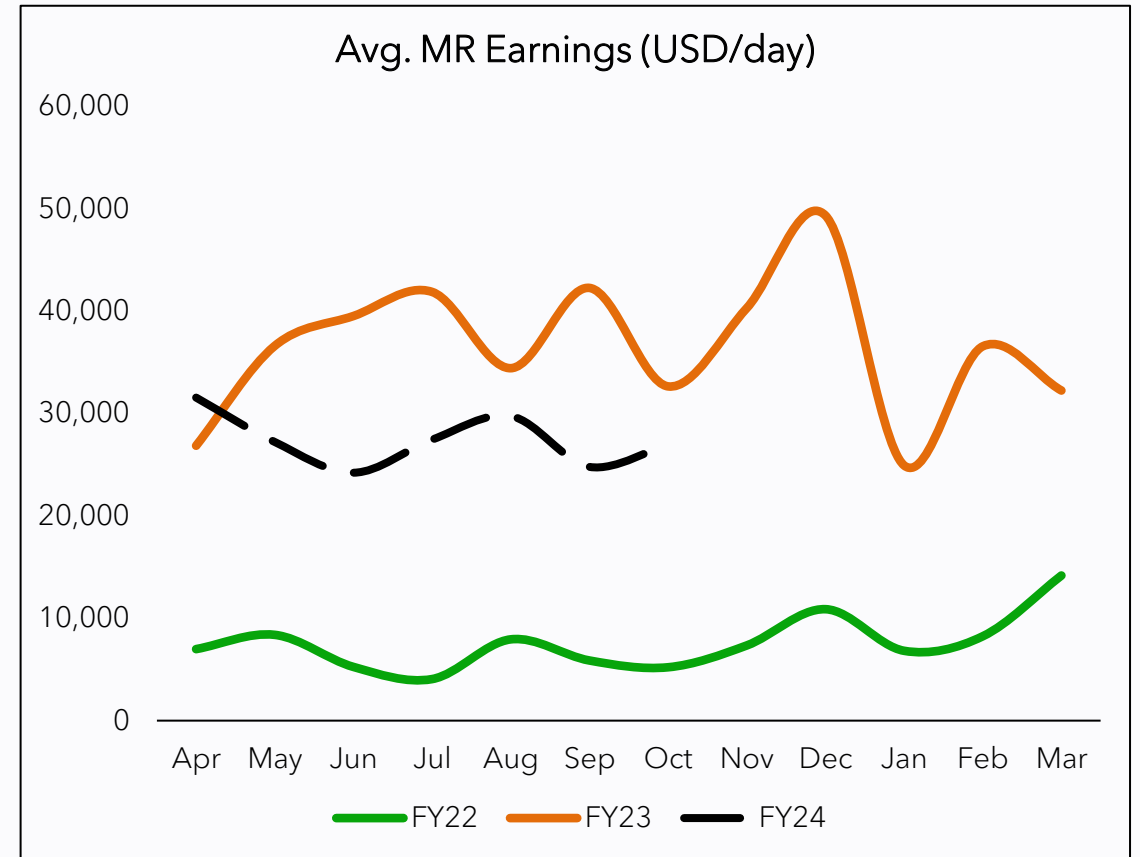


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CRUDE AND PRODUCT TANKERS



| USD/day | FY24 | FY23 | % change |
|---------|--------|--------|----------|
| 6M | 44,483 | 37,772 | 18% |



| USD/day | FY24 | FY23 | % change |
|---------|--------|--------|----------|
| 6M | 27,494 | 36,918 | -26% |

Sources: Industry Reports

CRUDE AND PRODUCT TANKERS

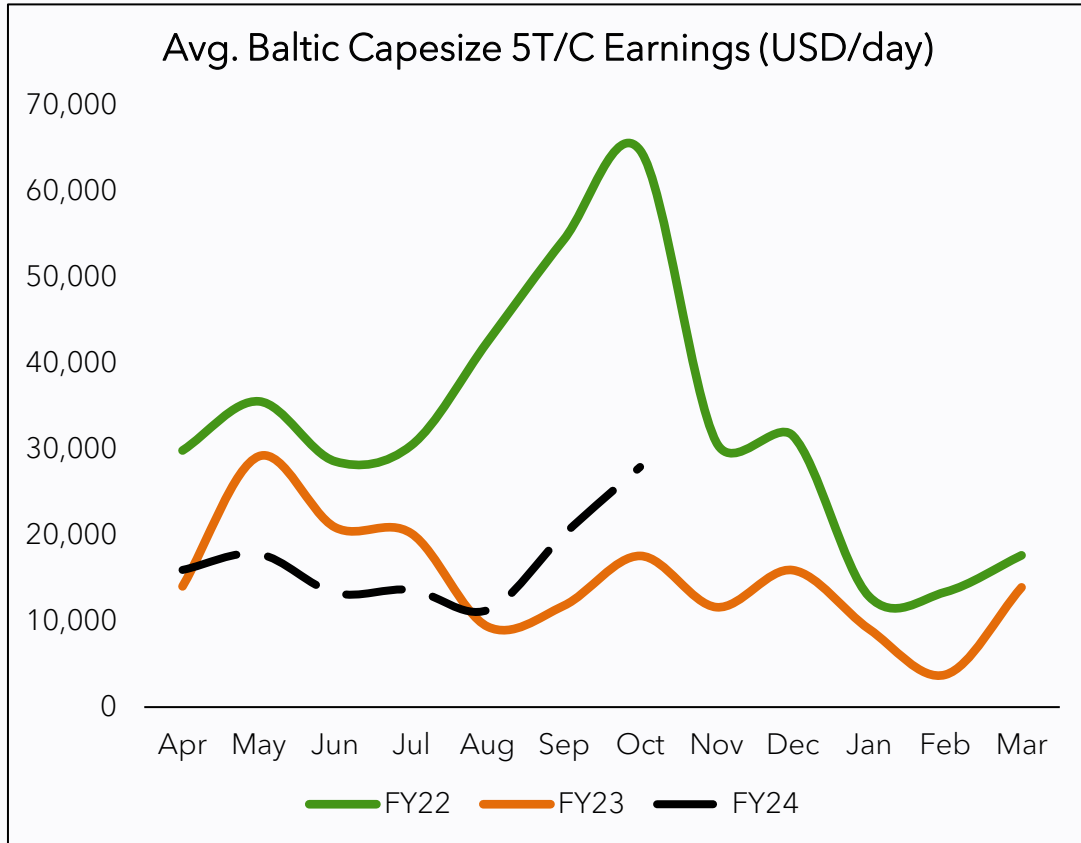


- Crude tanker earnings were down in 2QFY24 (~46% q/q drop in Suezmax earnings) amidst lower exports from Middle East and Russia due to implementation of OPEC+ production cuts.
- Product tanker earnings saw 5% q/q drop in 2QFY24.
- Overall seaborne crude trade was flat y/y in 2QFY24 but product trade grew by 4% y/y.
- Both, Crude & product fleet supply growth was relatively constrained at 2.8% in 2QFY24
- Asset prices continue to remain firm - strongest since 2008
- Orderbook for crude and product tankers are at ~4.1% and ~10% of the fleet respectively.

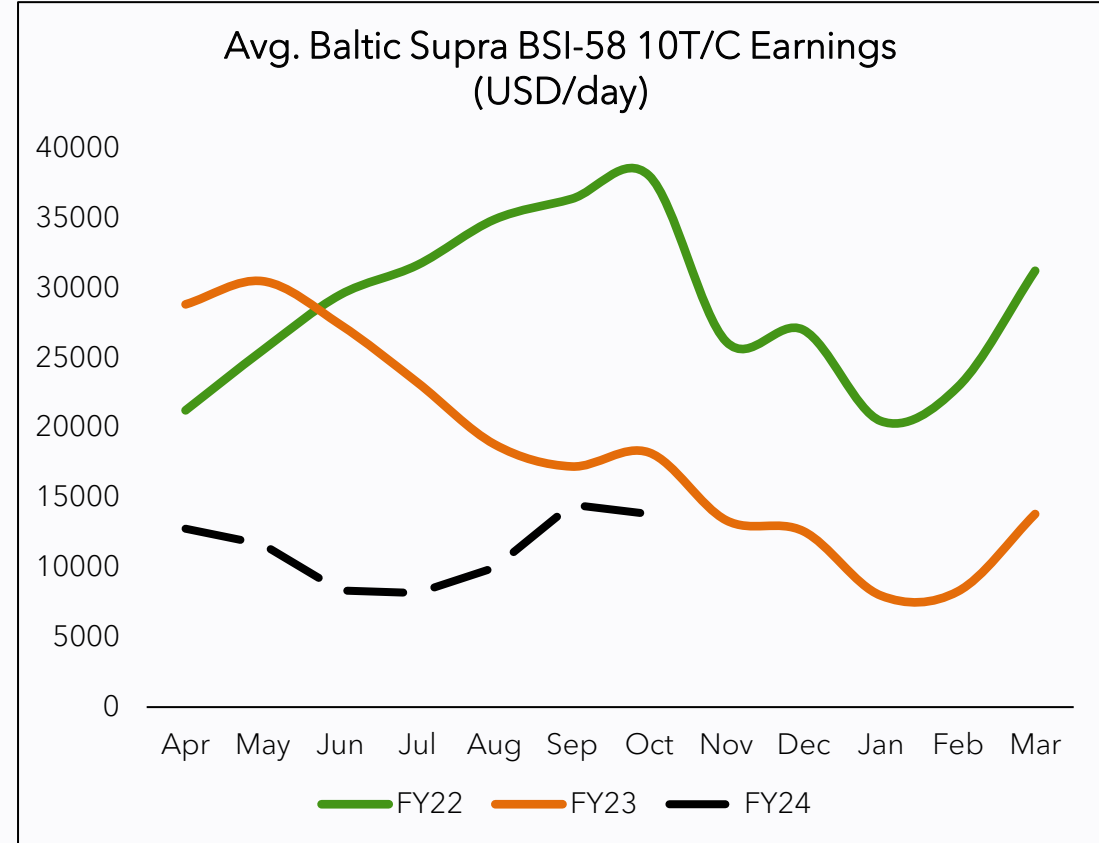
DRY BULK



DB Freight picked up in H1FY24 Y-O-Y, however both capes and sub-capes averaged lower Y-O-Y



| USD/day | FY24 | FY23 | % change |
|---------|--------|--------|----------|
| 6M | 15,315 | 17,556 | -12% |



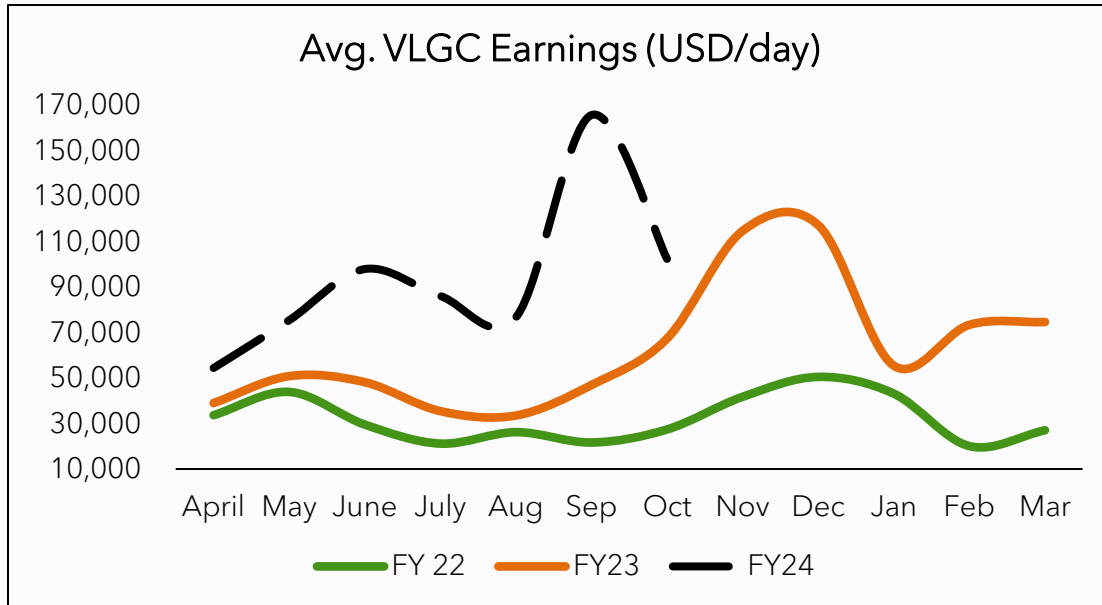
| USD/day | FY24 | FY23 | % change |
|---------|--------|--------|----------|
| 6M | 10,892 | 24,308 | -55% |

DRY BULK



- Spot earnings continued to remain down y/y during the quarter but witnessed recovery in September-2023.
- Ton - Mile demand increased by ~ 5 % y/y as against a nominal fleet supply growth of 3 %.
- Effective fleet supply growth remained higher as all Covid related congestion seen last year completely reversed.
- Asset prices stabilized during the quarter but are down ~ 20 % from 2022 peak levels.
- Coal imports into China increased ~ 27 % y/y during the quarter due to higher coal requirement for electricity generation.
- Grain trade increased ~ 8 % y/y during the quarter due to higher exports from Brazil.
- Order book continues to be close to all time lows at 8.1 % of fleet

LPG GAS



VLGC Spot earnings sustained healthy levels during Q2FY-24 and were much higher YoY in comparison to Q2FY-23.

| USD/day | FY24 | FY23 | % change |
|---------|--------|--------|----------|
| 6M | 92,773 | 42,317 | 119% |

- VLGC trade increased by 4% y/y in 2QFY24. US supplies have seen robust growth of 16% fueled by 15% y/y growth in demand from China.
- Due to higher waiting times at Panama canal, ballast miles are seen to increase as shipowners try to avoid Panama Canal while ballasting from North East Asia to USA.
- Asset prices further increased - matching all time high levels seen during 2014.
- VLGC Orderbook - At elevated level in historical context.



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FLEET SUPPLY

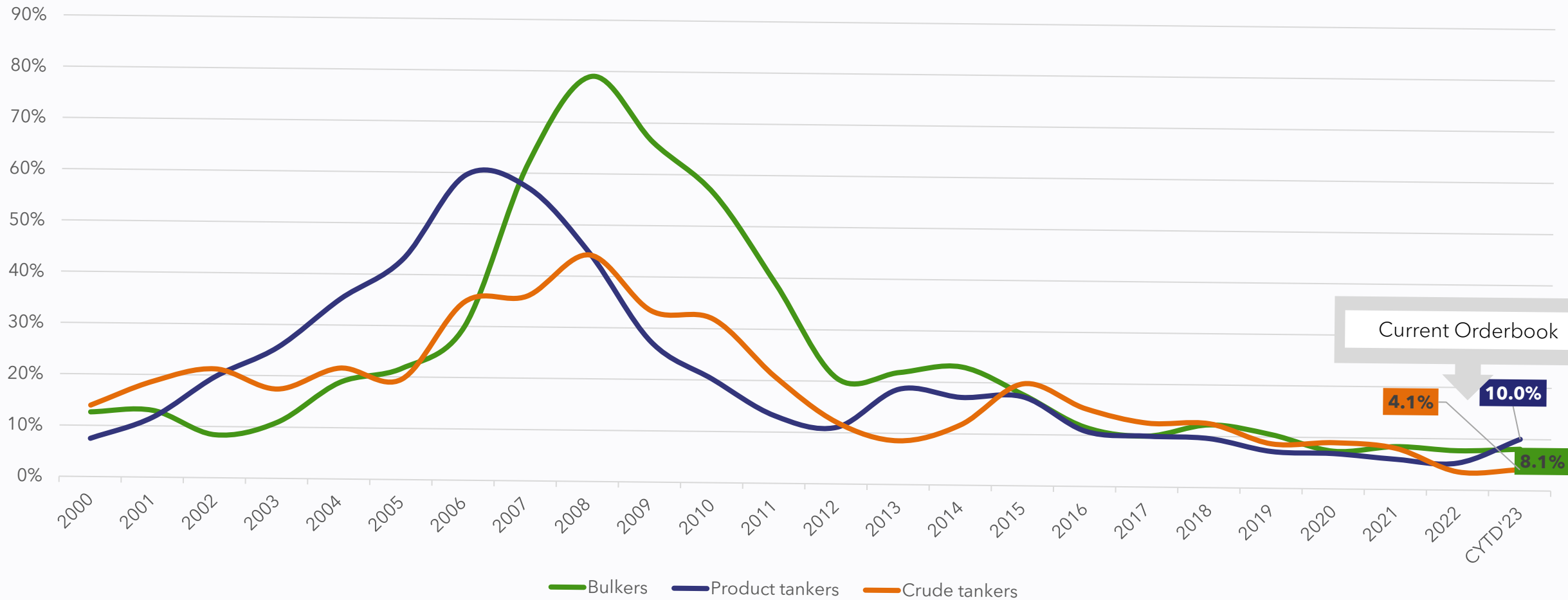


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LOW ORDER BOOK TO FLEET RATIO



Historic Order Book as a % of fleet (Calendar Year)





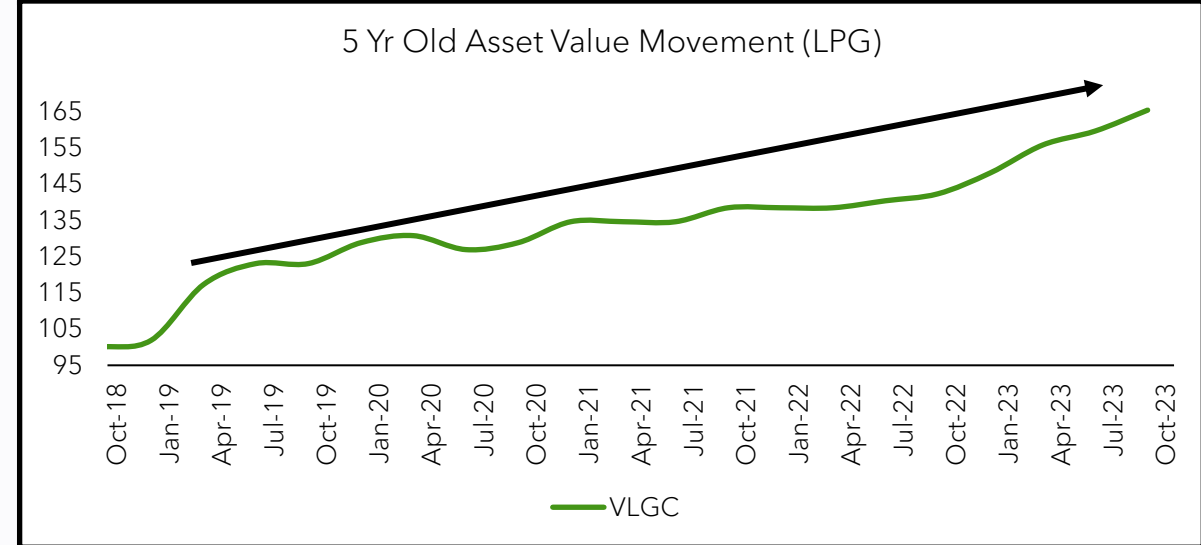
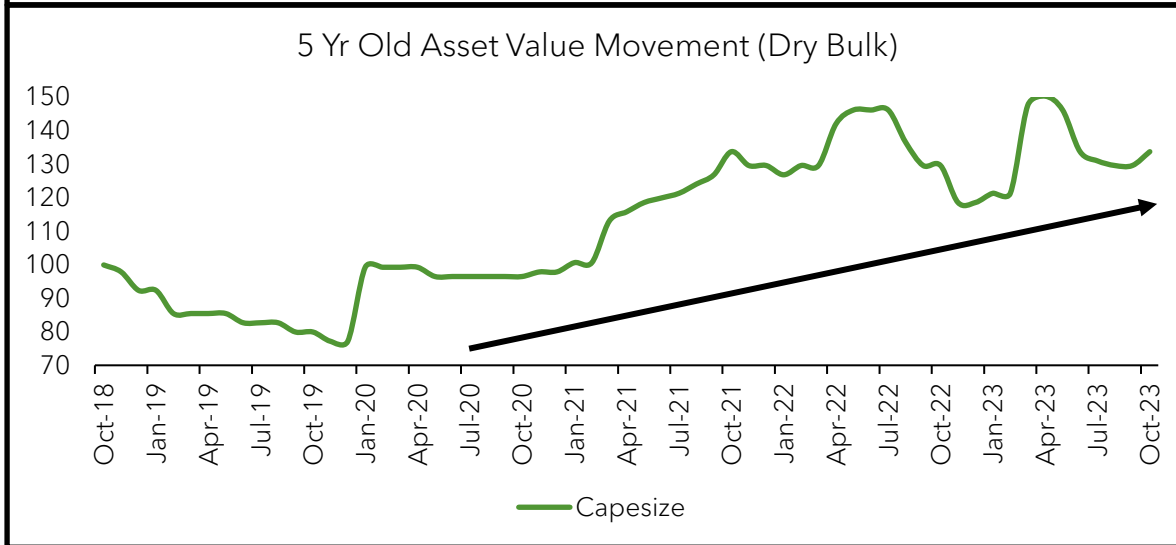
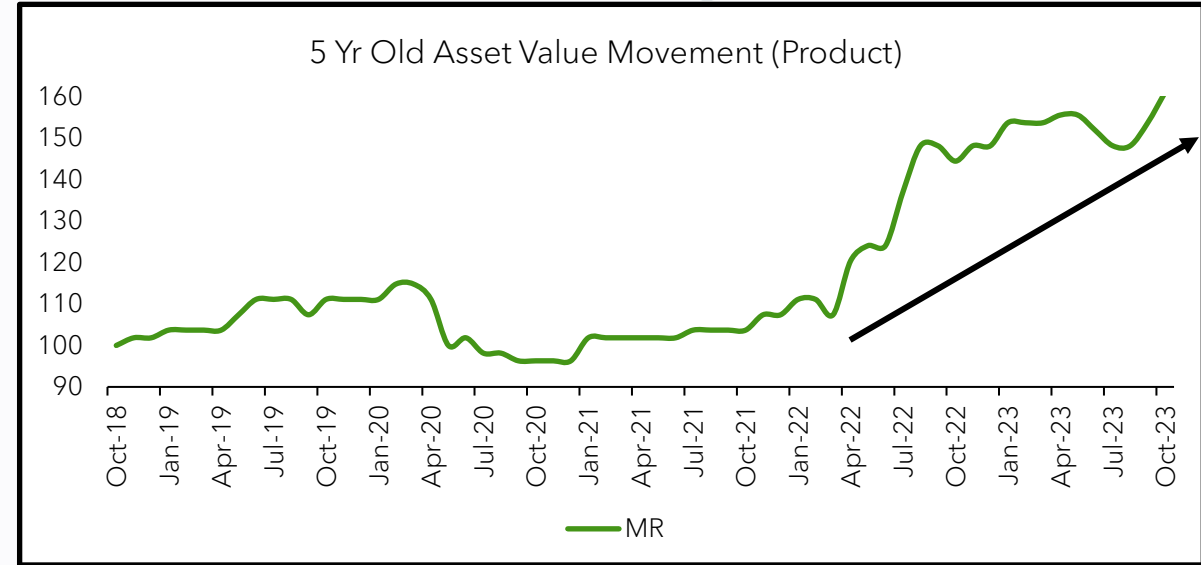
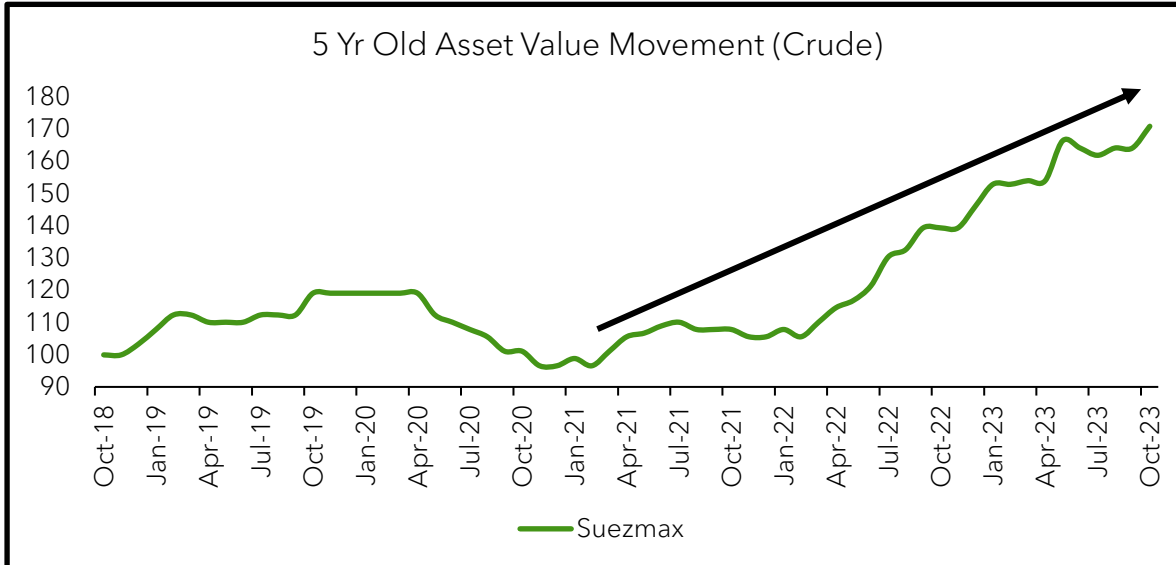
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ASSET PRICE MOVEMENT

ASSET PRICE MOVEMENT (INDEXED OVER LAST 5 YRS)



SCRAPPING



| Vessel Category | Oct'23 |
|-----------------|--------|
| Crude | 462 |
| Product | 184 |
| Dry Bulk | 996 |

| Scraping (% Beginning world fleet) | CYTD | CY | CY | CY | CY | CY | CY | CY | CY |
|------------------------------------|------|------|------|------|------|------|------|------|------|
| Vessel Category | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| Crude | - | 0.78 | 2.47 | 0.53 | 0.55 | 4.39 | 2.43 | 0.39 | 0.38 |
| Product | 0.11 | 0.76 | 2.11 | 0.57 | 0.60 | 1.72 | 1.22 | 0.54 | 0.62 |
| Dry Bulk | 0.50 | 0.50 | 0.56 | 1.74 | 0.93 | 1.85 | 1.85 | 3.78 | 4.02 |

- Overall Scrapping has been negligible in CY23 for both tankers and dry bulk.



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JACK UP RIGS - MARKET

Demand Side:

- Ramp up in demand from Middle East was the prime mover at the start of this upcycle. After a flurry of tendering activity over last 12-18 months, the focus for most operators & contractors has now shifted towards preparing and mobilizing the rigs against awarded contracts.
- Activity in other regions is also picking up. Recent market reports indicate that in some regions, tenders have been cancelled or reissued due to limited supply

Utilization:

- The fleet utilization calculated basis rigs under contract has been inching up gradually. Once all the awarded rigs commence their contracts, the working rig count it expected to reach 380-390 units.
- While this absolute count will be still lower than the peak in 2013-14, the fleet base has also reduced over this period. As a result, the utilization % is expected to reach levels similar to those in 2013-14.
- The fleet base also includes some old cold stacked units. If these units are not activated due to technical challenges involved in reactivation, the effective supply-demand balance will remain extremely tight.

Supply Side:

- No Jack Up new building orders have been placed for the past many years.
- Many yards have repurposed their capacity towards other offshore projects.
- Channel checks indicate that for yards to consider taking fresh orders, the pricing needs to be significantly higher than previous highs.
- Given these developments, new building supply is expected to be fairly limited over the next few years.

FLEET SUPPLY

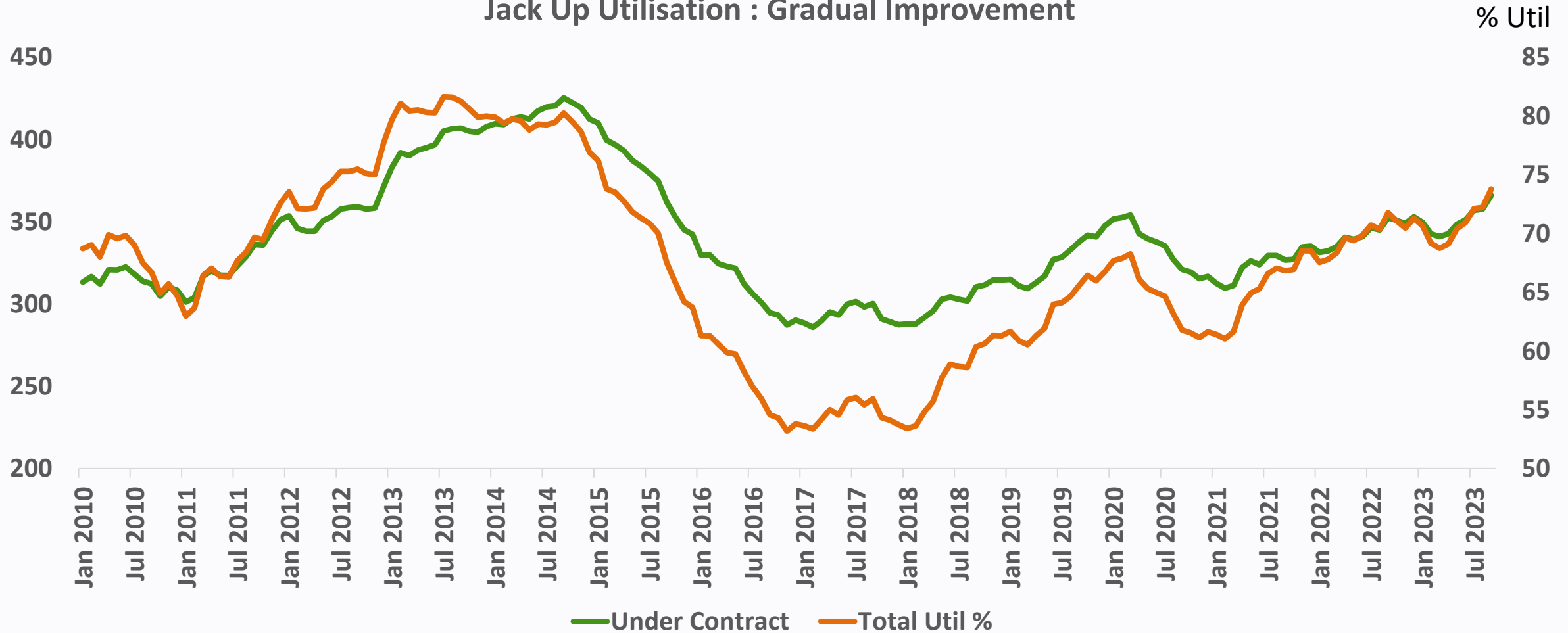


| Number | Jack-up Rigs | PSV+AHTSV |
|--|--------------|-----------|
| Current Fleet | 496 | 3,390 |
| Under Contract Fleet | 358 | 2,324 |
| Order Book | 21 | 79 |
| O/B to Current Fleet | 4.2% | 2.3% |
| Total Scrapping since Jan 2016 (Nos) | 143 | 668 |
| No of Vessels/Rigs more than 20/30 years old (% Fleet) | 33% | 20% |
| Cold stacked more than 3 years | 54 | 477 |

MARKET TRENDS: UTILISATION



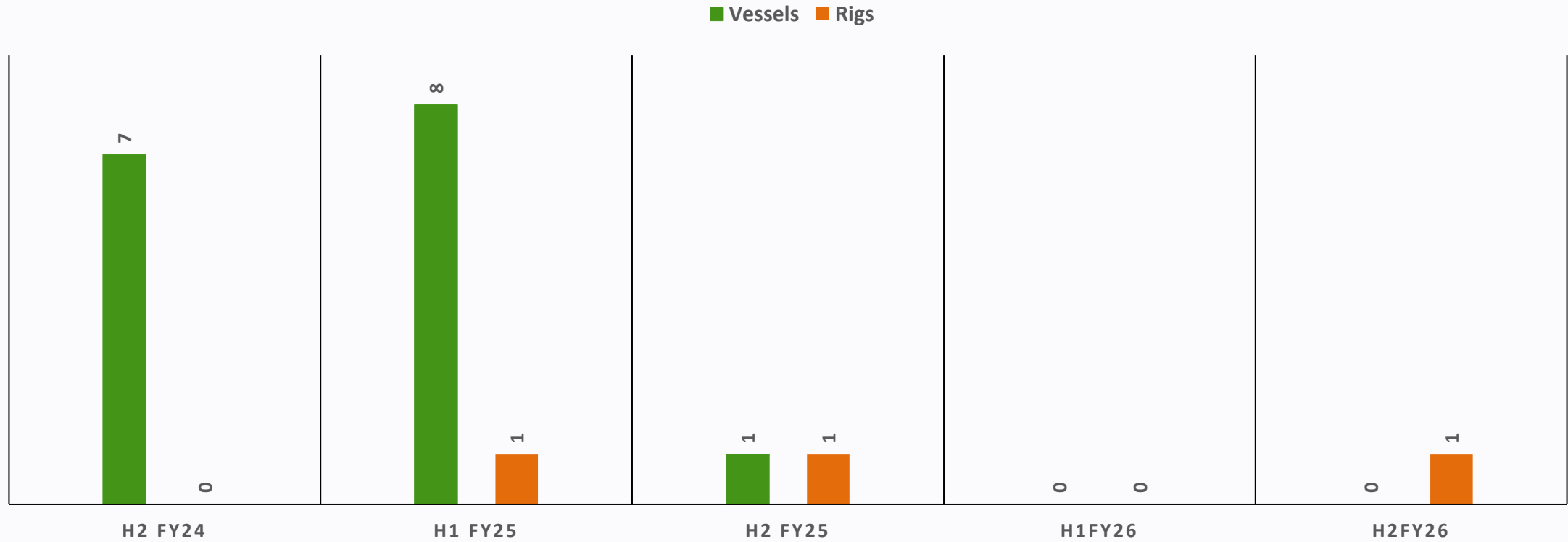
Jack Up Utilisation : Gradual Improvement



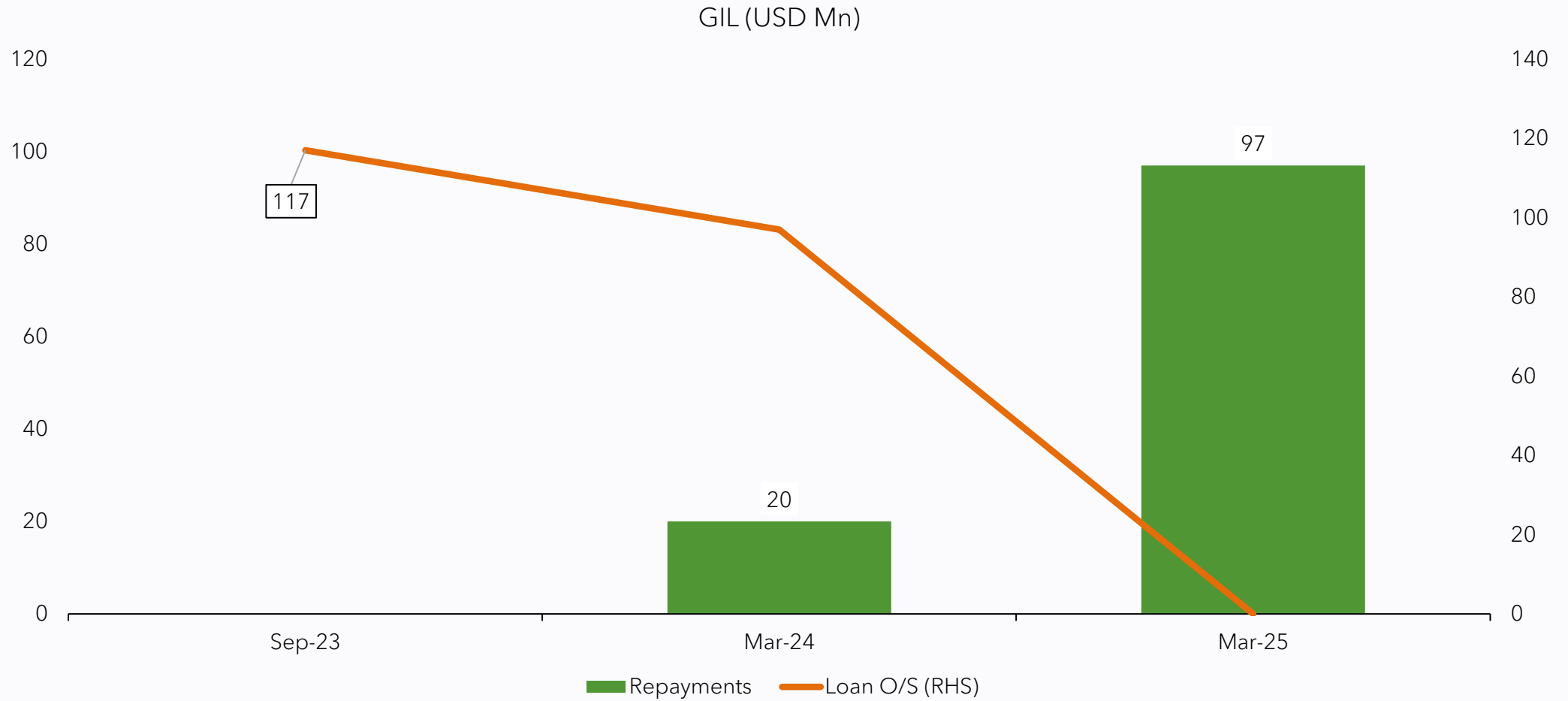
REPRICING



*Of the Remaining 3 vessels, 2 will come up for repricing in H1FY27 & 1 vessel will come up for repricing in H1FY29
Remaining 1 rig will come up for repricing in H2FY 27*



DEBT REPAYMENT SCHEDULE





25/07/2022

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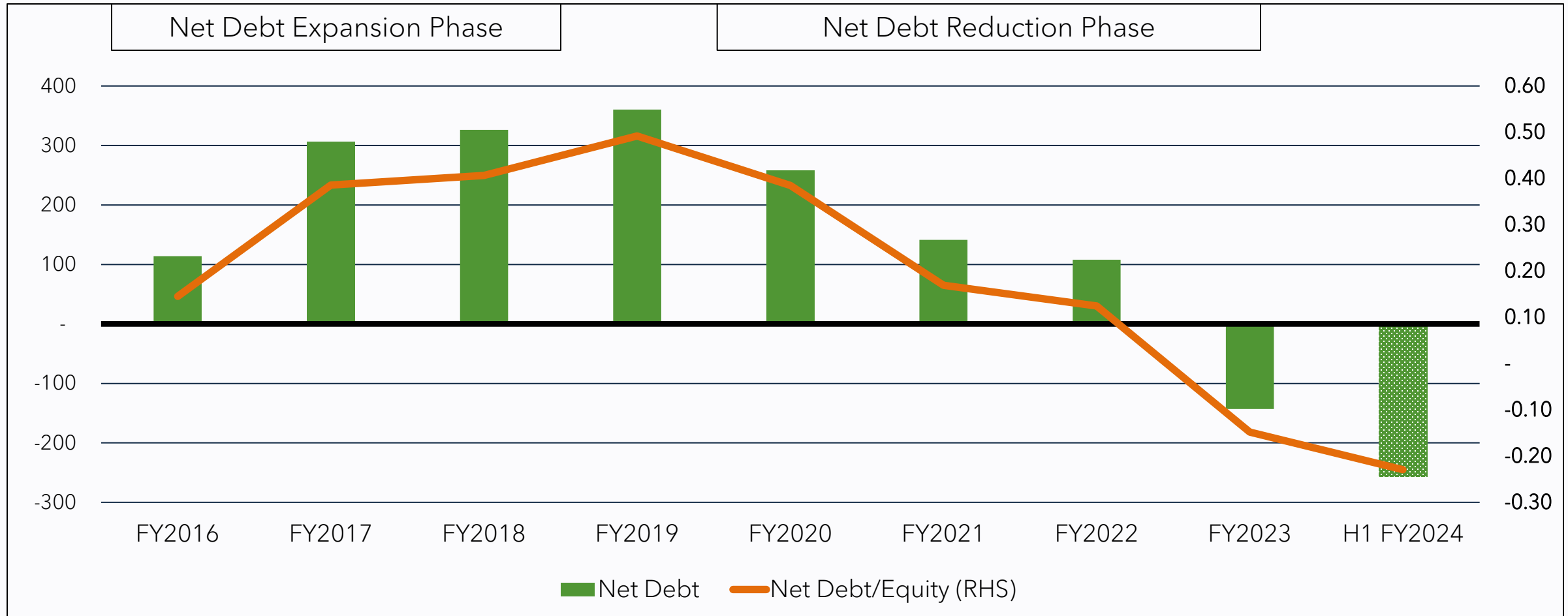
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FINANCIALS

STRONG CASHFLOWS LED NET DEBT USD 360 MN TO NET CASH OF USD 250 MN



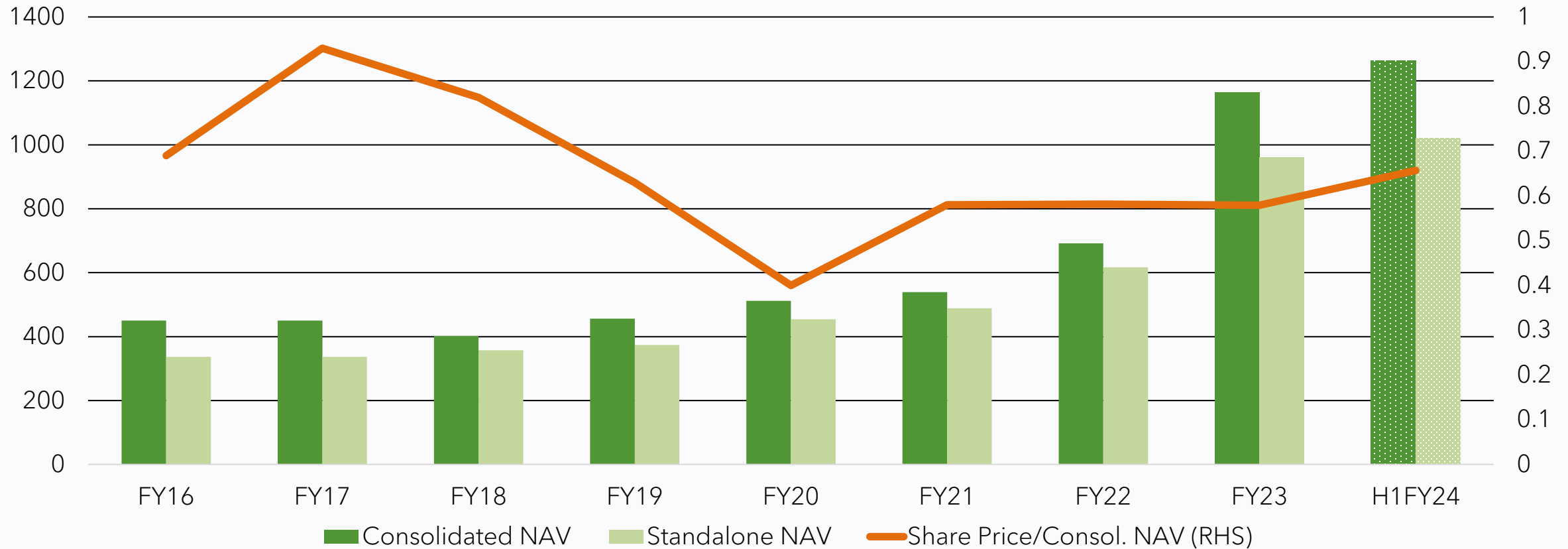
USD Mn



SHARE PRICE TO CONSOLIDATED NAV



INR/Share



* For H1FY24 we have taken share price as on 27th Oct 2023

GREAT EASTERN CSR FOUNDATION



GECSRF supports NGOs working under health, education and livelihoods

CURRENT PARTNERS

EDUCATION



HEALTH



LIVELIHOODS



THANK YOU

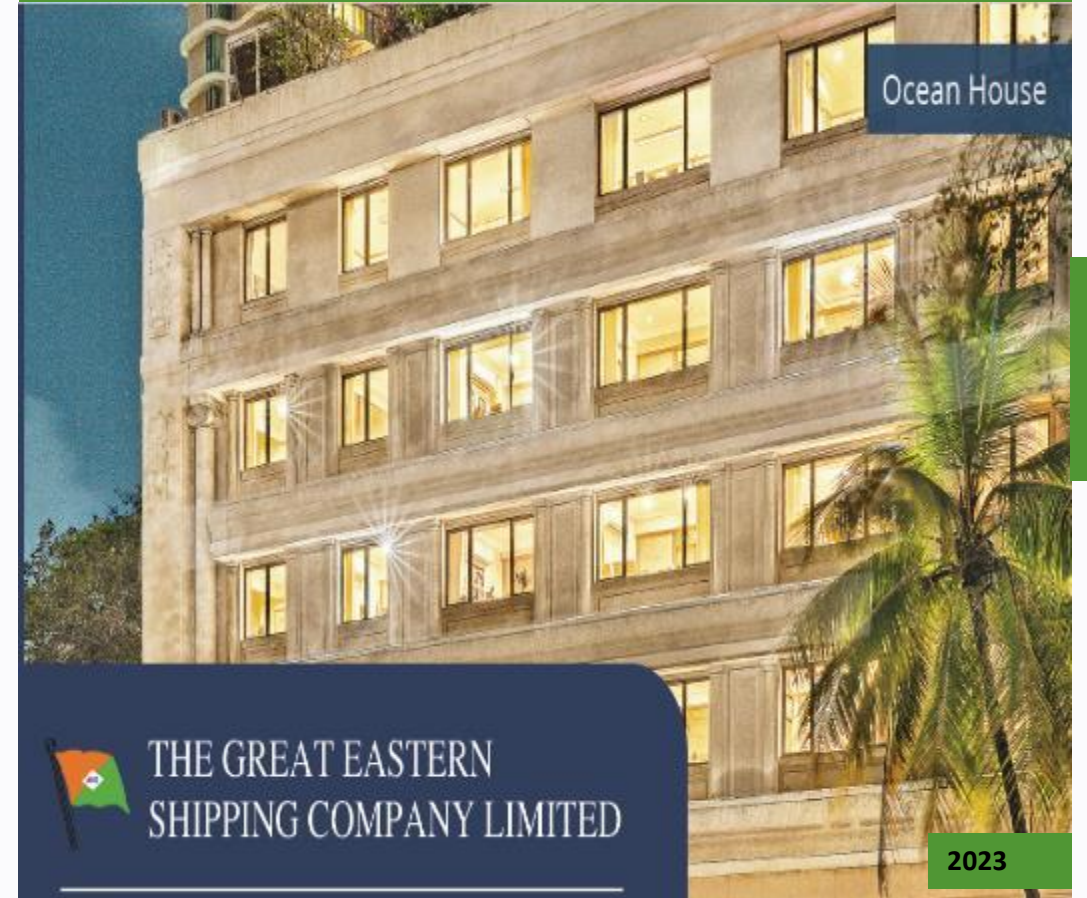
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