



The Great Eastern
Shipping Co. Ltd.



FORWARD LOOKING STATEMENT

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.



The Great Eastern
Shipping Co. Ltd.

FINANCIAL YEAR Q3FY22



28 January 2022

REPORTED FINANCIAL HIGHLIGHTS

GE Shipping Q3FY22 consolidated Net Profit at Rs. 205 Crores

Standalone			Key Figures	Consolidated		
Q3FY22	Q3FY21	9MFY22	(Amount in Rs. Crs)	Q3FY22	Q3FY21	9MFY22
			Income Statement			
774	691	2226	Revenue (including other income)	932	854	2686
431	386	1184	EBITDA (including other income)	459	425	1243
253	204	625	Net Profit	205	176	441
			Balance Sheet			
10,928	10,739	10,928	Total Assets	13,927	14,309	13,927
6,544	5,921	6,544	Equity	7,989	7,614	7,989
3,486	3,751	3,486	Total Debt (Gross)	4,695	5,211	4,695
352	603	352	Long Term Debt (Net of Cash)	810	994	810
			Cash Flow			
423	152	947	From operating activities	442	223	1,030
(72)	(204)	(210)	From investing activities	(119)	(206)	(358)
(170)	228	(710)	From financing activities	(203)	172	(857)
181	177	27	Net cash inflow/(outflow)	120	189	(185)

NORMALIZED FINANCIAL HIGHLIGHTS

GE Shipping Q3FY22 consolidated Net Profit at Rs. 193 Crores

Standalone			Key Figures	Consolidated		
Q3FY22	Q3FY21	9MFY22	(Amount in Rs. Crs)	Q3FY22	Q3FY21	9MFY22
			Income Statement			
774	691	2,226	Revenue (including other income)	932	854	2,686
377	317	1,077	EBITDA (including other income)	404	359	1,163
226	154	609	Net Profit	193	115	495
			Balance Sheet			
10,928	10,739	10,928	Total Assets	13,927	14,309	13,927
6,544	5,921	6,544	Equity	7,989	7,614	7,989
3,849	4,257	3,849	Total Debt (Gross)	5,058	5,717	5,058
715	1,109	715	Long Term Debt (Net of Cash)	1,174	1,500	1,174

NORMALIZED FINANCIAL NOTES

1) The impact of the exchange rate on foreign currency loans and current assets and liabilities, including cash and bank balances, has been removed

2) 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.**

NORMALIZED FINANCIAL HIGHLIGHTS

Standalone			Key Figures	Consolidated		
Q3FY22	Q3FY21	9MFY22		Q3FY22	Q3FY21	9MFY22
			Key financial figures			
14.00%	10.62%	12.84%	*Return on Equity (ROE) (%)	9.74%	6.11%	8.42%
10.03%	7.83%	9.21%	*Return on Capital Employed (ROCE) (%)	7.36%	5.23%	6.53%
0.59	0.72	0.59	Gross Debt/Equity (x)	0.63	0.75	0.63
0.11	0.19	0.11	Net Debt/Equity (x)	0.15	0.20	0.15
15.36	10.49	41.43	Earnings per share, EPS (INR/Share)	13.11	7.82	33.70
23.34	18.08	65.25	Cash Profit per share (INR/Share)	25.62	19.88	71.47
-	-	4.50	Dividend per share(INR/Share)	-	-	4.50
576	450	576	Net Asset Value per share (INR/Share)	602-651	477-527	602-651

PROFIT & LOSS STATEMENT

INDUSTRY FORMAT

Standalone			INR Crores	Consolidated		
Q3FY22	Q3FY21	9MFY22		Q3FY22	Q3FY21	9MFY22
753	589	2,080	Operating Revenue	932	749	2,563
186	167	522	Less : Direct Operating Expenses/Voyage Expenses	194	175	558
567	422	1,559	Time Charter Equivalent (A)	738	575	2,006
0	57	48	Profit on sale of ships	0	58	48
21	41	98	Other Income including	0	43	75
21	99	146	Total Other Income (B)	0	101	123
168	166	511	Other Operating Expense	257	254	772
42	37	116	Administrative & General Expense	77	62	194
210	203	627	Total Expenses (C)	334	316	965
377	317	1,077	EBITDA (D) = [(A)+(B)-(C)]	404	359	1,163
117	111	350	Depreciation & Amortization (E)	184	177	547
0	0	0	Impairment (F)	0	0	8
260	206	727	Operating Profit including other Income	220	182	608
			(G) = [(D)-(E)-(F)]			
60	59	196	Finance Expense (H)	76	62	259
(53)	(81)	(76)	Derivative losses/(gains) (I)	(54)	(82)	(40)
(1)	12	(31)	Foreign Currency Exchange losses/(gains) (J)	(2)	16	(40)
1	11	13	Income tax expense (K)	(6)	10	(12)
253	204	625	Net Profit [(G)-(H)-(I)-(J)]	205	176	441

PERFORMANCE REVIEW

Break up of Revenue days (Shipping)

Revenue Days	Q3 FY22	Q3 FY21
Owned Tonnage	3,993	4,081
Inchartered Tonnage	28	44
Total Revenue Days	4,021	4,125
Total Owned Tonnage (mn.dwt)	3.57	3.51

Break up of Revenue days (Offshore)

Revenue Days	Q3 FY22	Q3 FY21
Offshore Logistics	1,498	1,440
Drilling Services	337	367
Total	1,835	1,807

Average TCYs earned over last few quarters in various (Shipping) categories

Average (TCY \$ per day)	Q3 FY22	Q2 FY22	Q-o-Q Change	Q3 FY21	Y-o-Y Change
Crude Carriers	12,098	10,515	15%	16,634	-27%
Product Carriers	10,689	8,198	30%	10,441	2%
LPG Carriers	28,609	28,789	-1%	26,965	6%
Dry Bulk	31,003	30,117	3%	11,588	168%

REVENUE VISIBILITY & COVERAGE

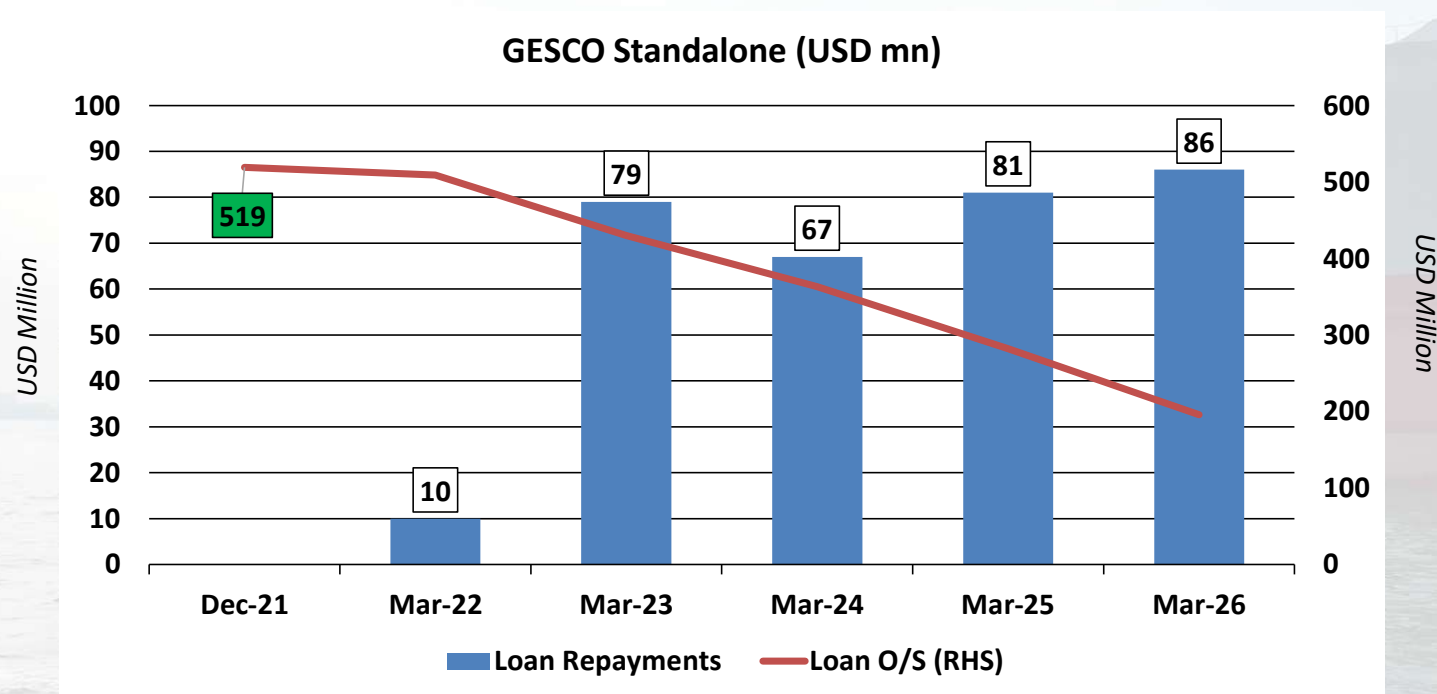
Category-wise coverage of operating days (Shipping) --- FY22

Category	Extent of coverage of fleet's operating days	Revenue Visibility
Crude Carriers	34%	Rs 251 Cr
Product Carriers	31%	
LPG Carriers	89%	
Dry Bulk	49%	

Category-wise coverage of operating days (Offshore) --- FY22

Category	Extent of coverage of fleet's operating days	Revenue Visibility
Jackup Rigs	100%	Rs 175 Cr
AHTSV	93%	
MPSVV	33%	
PSV/ROSV	100%	

GESCO STANDALONE DEBT REPAYMENT SCHEDULE (NEXT 5 YEARS)



GESCO: We have effective all-in USD cost of debt of less than 3.50%. 90% of debt portfolio is fixed.

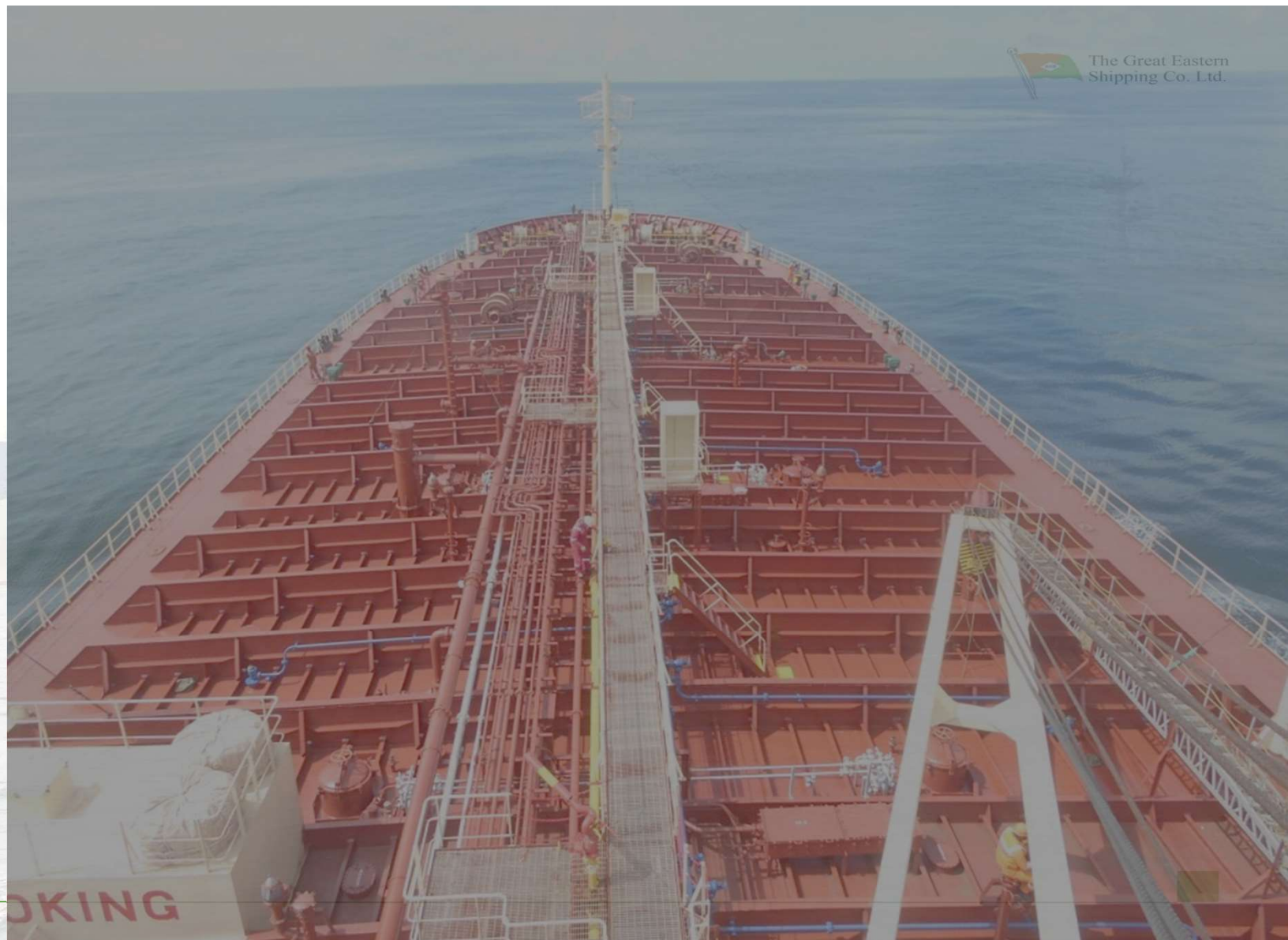
FLEET PROFILE

SHIPPING				
Fleet	DWT (FY21)	Fleet (28 th Jan 22)		Committed Capex/Sale
		No:	Avg Age	
Crude Carriers	1,058,499	8	13.94	NIL
Product Carriers	1,092,465	18	13.88	
Gas Carriers	212,260	5	17.27	
Dry Bulk Carriers	1,210,805	14	8.81	
Total	3,574,029	45	12.38	
OFFSHORE				
Fleet	Number of Units		Average Age (Yrs.)	
Jack Up Rigs	4		10.31	
Platform Supply Vessels	4		12.48	
Anchor handling Tug Cum Supply Vessels	8		11.94	
Multipurpose Platform Supply & Support Vessels	2		11.79	
ROV Support Vessels	5		10.50	

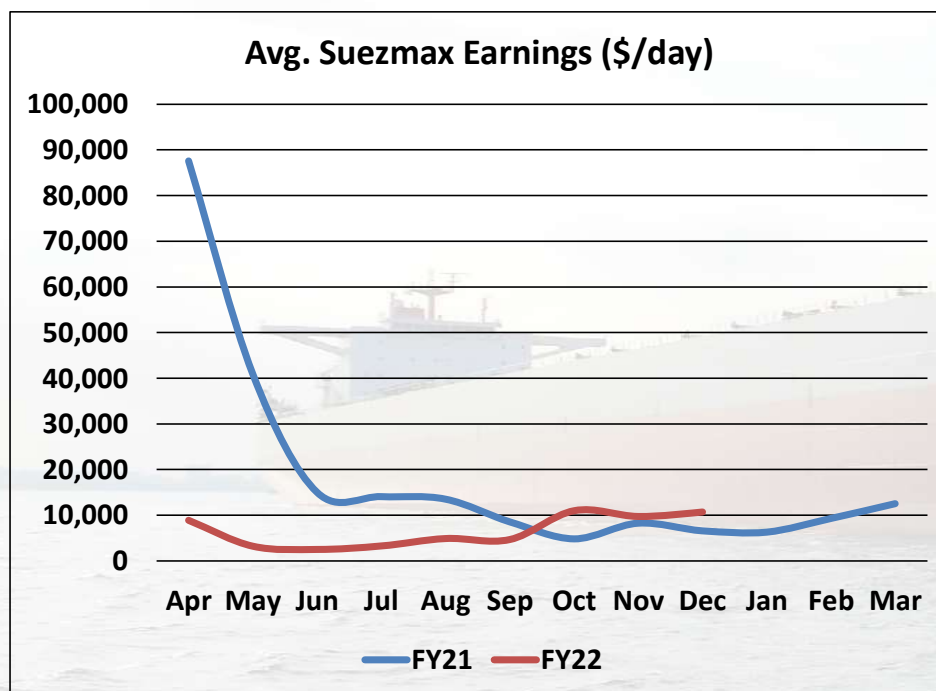
SHIPPING MARKET



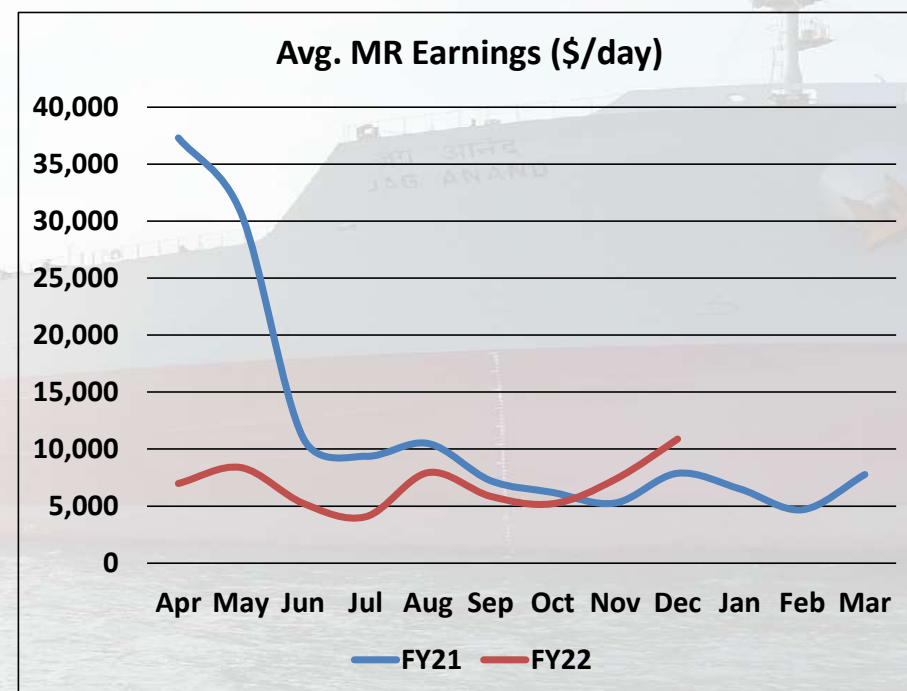
TANKER MARKET



Crude and Product Tankers



\$/day	FY21	FY22	% change
9M	22,156	6,549	-70%



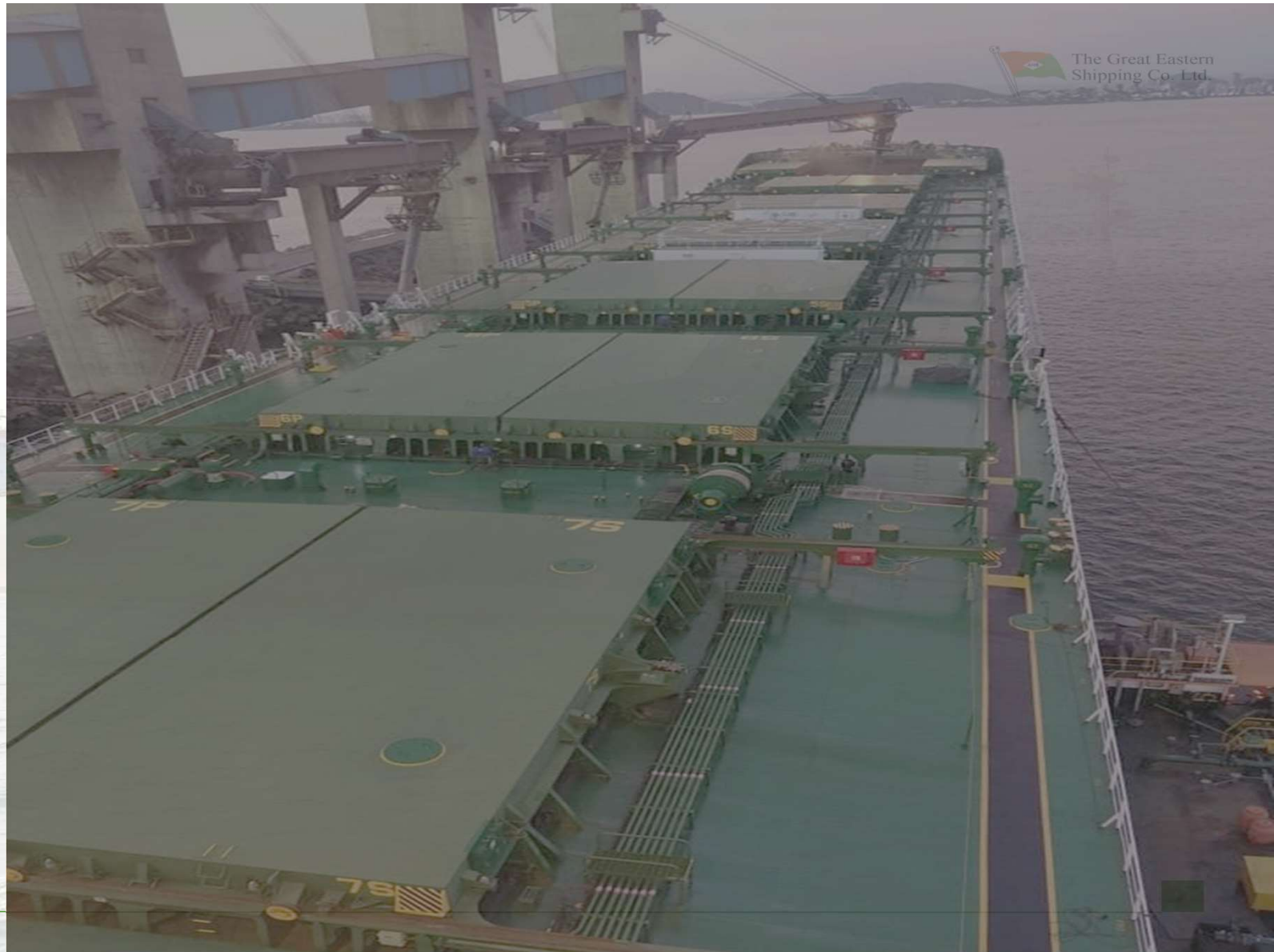
\$/day	FY21	FY22	% change
9M	13,946	6,880	-51%

Sources: Industry Reports

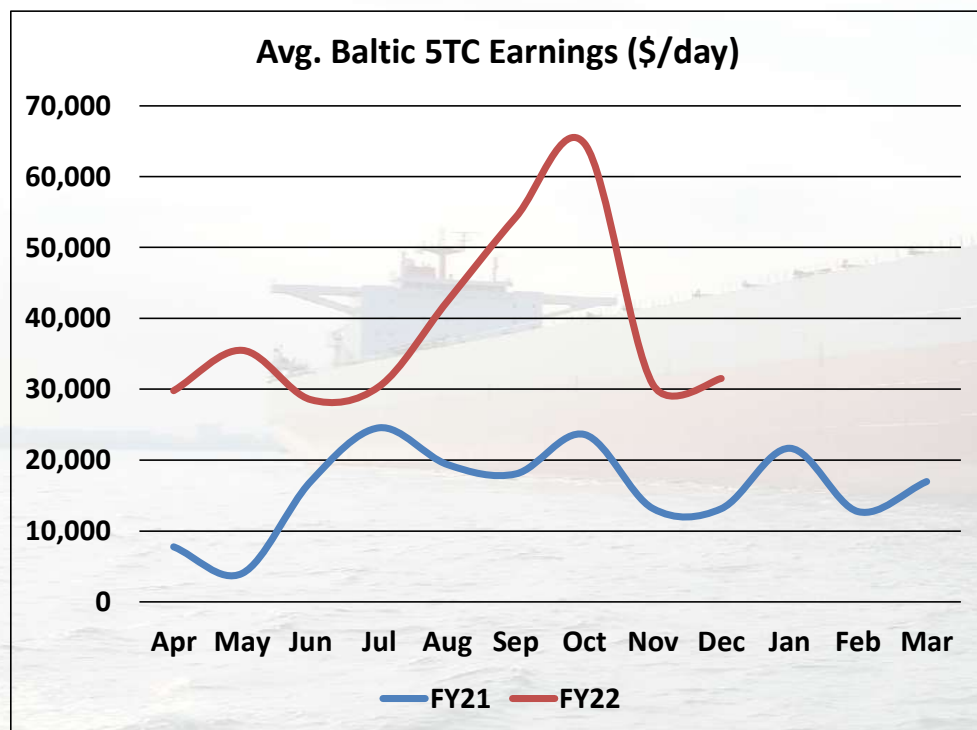
Crude and Product Tankers

- Increase in oil demand, refinery runs led to increase in trade during the quarter. However, while product trade is 3% below pre-COVID levels, crude trade continues to be much worse, at 10% lower
- Supply overhang continued as nominal fleet grew by 1.5-2% y/y, not counting the release of floating storage (1.5% of crude tanker fleet and 0.8% of product tanker fleet)
- Owing to these factors, freight rates remained at low levels - Q3 FY22 was the **second weakest Q3 since 1990**
- The silver lining is that both crude oil and product inventories have been drawn down by about 10%, and are now below their 5-year lows (OECD inventory data)

DRY BULK MARKET



Dry Bulk



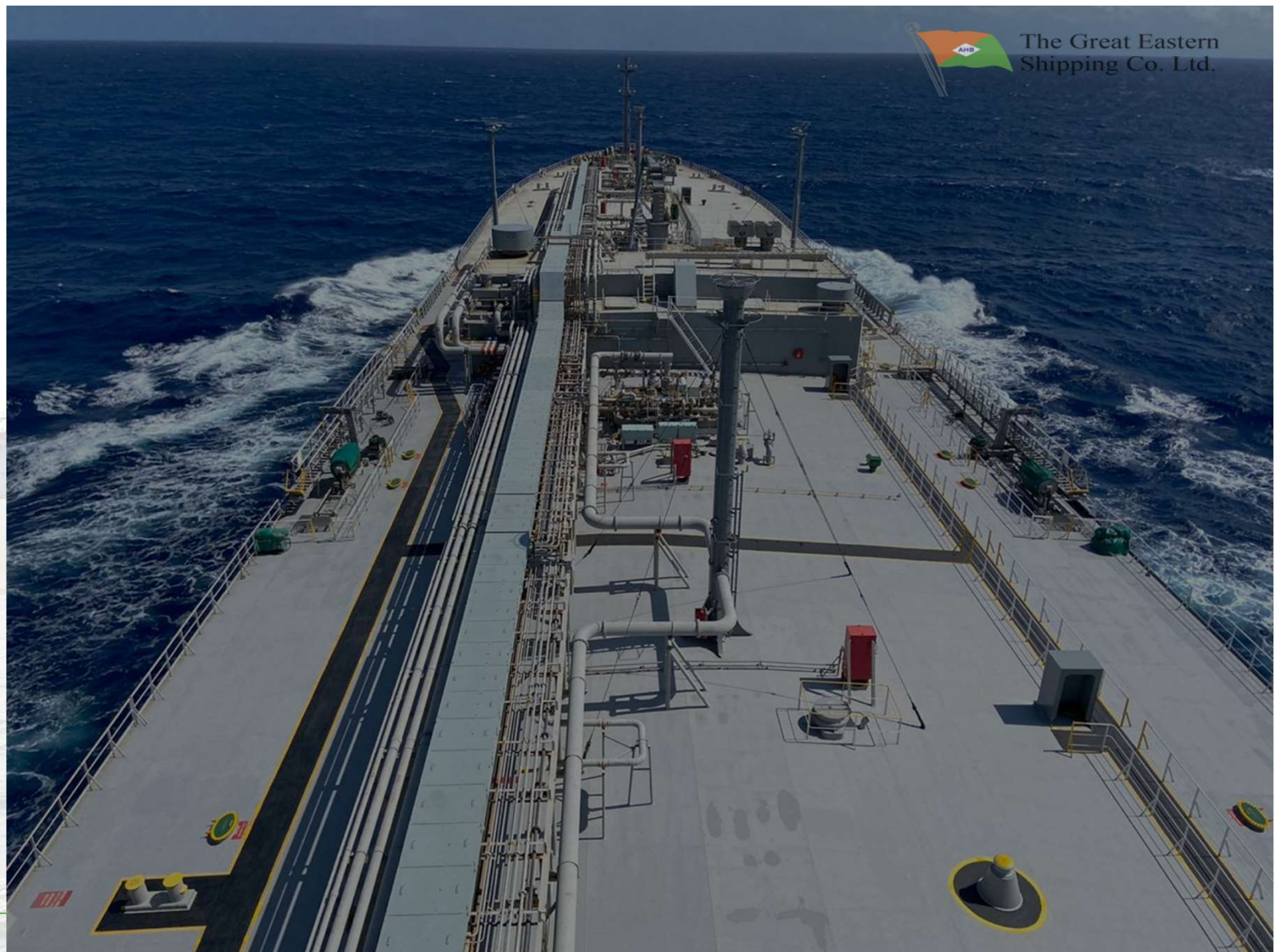
Spot rates came off after reaching highs not seen since the super cycle

\$/day	FY21	FY22	% change
9M	15,639	38,655	147%

Dry Bulk

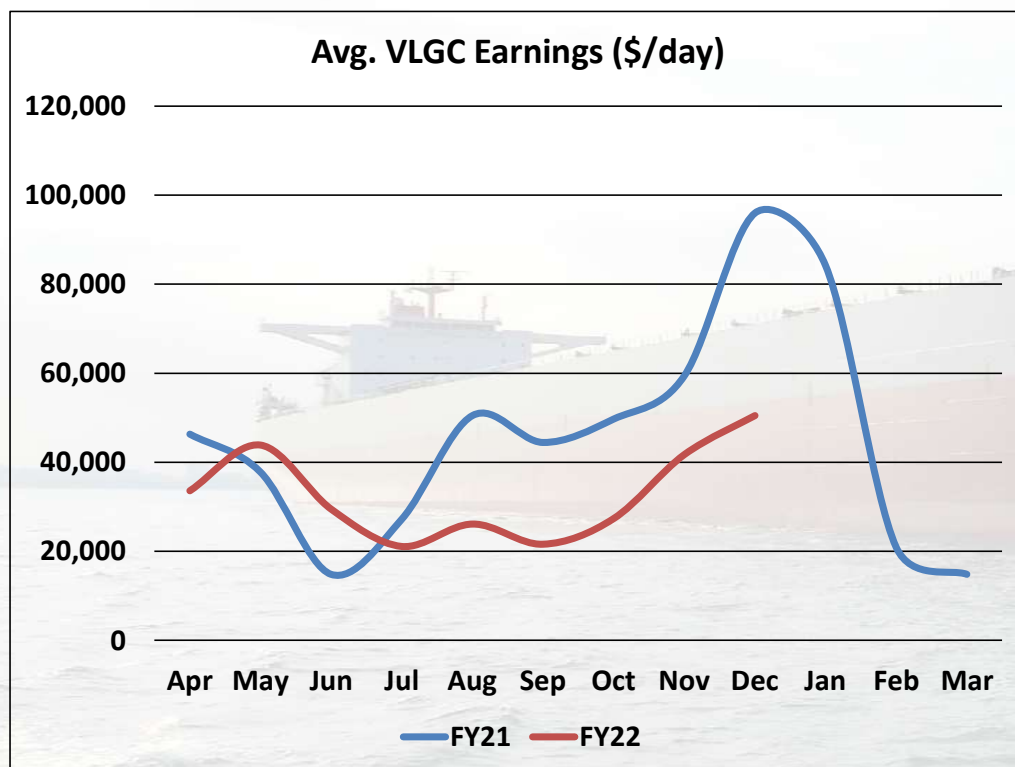
- Dry trade (in ton-miles) rose by 4.8% y/y in 2021, primarily led by trade growth in minor bulks
- While the fleet grew by ~3.5% y/y, congestion, which had touched a 10-year high of 5% in Q2 FY22, helped tighten the market

LPG (GAS) MARKET



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Gas



Spot rates rise, but still lower than Q3FY21

\$/day	FY21	FY22	% change
9M	47,364	32,821	-31%

Gas

- VLGC spot earnings averaged USD 39,800 / day during Q3 FY 22. Though earnings showed a drop YoY on a TCE basis, the levels were still strong
- While trade demand grew ~ 4.5 % YoY, fleet supply growth of 6% and high bunker prices led to drop in earnings
- Strong US LPG exports (long-haul) and increased congestion at Panama Canal continued to support the freight market

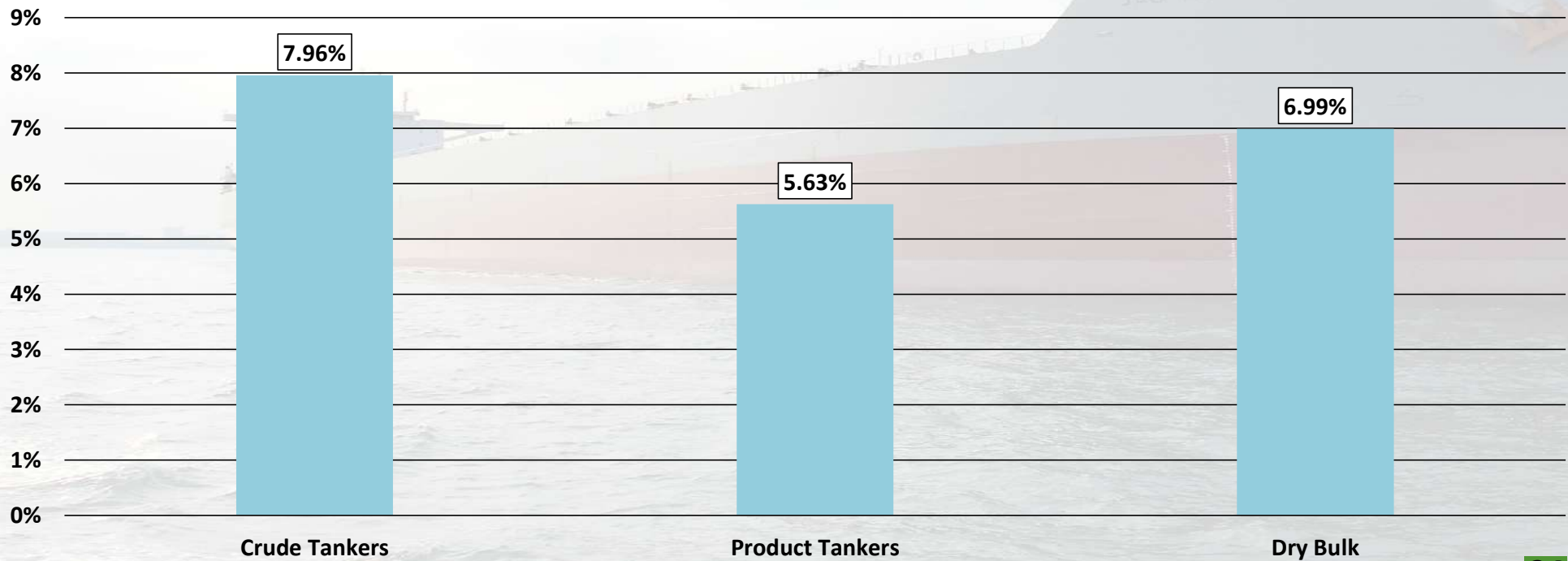
Fleet Supply



One of the Lowest Order Book to Fleet Ratios

While ordering is picking up for Bulkers

Orderbook as % of Fleet

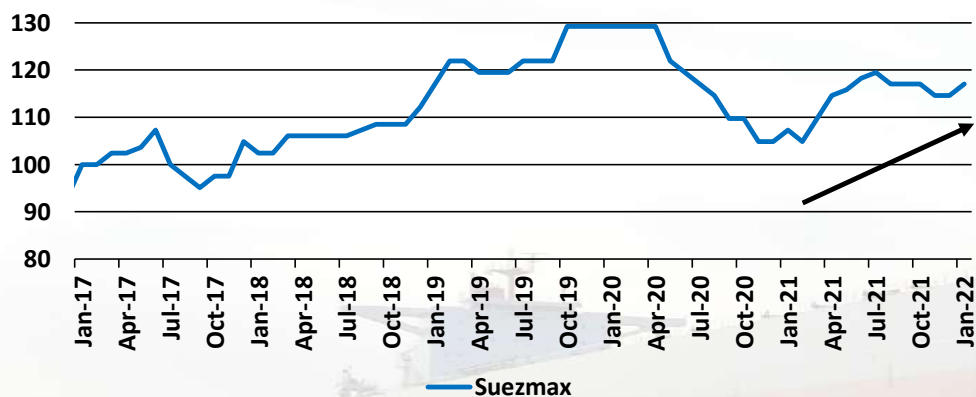


Sources: Industry Reports

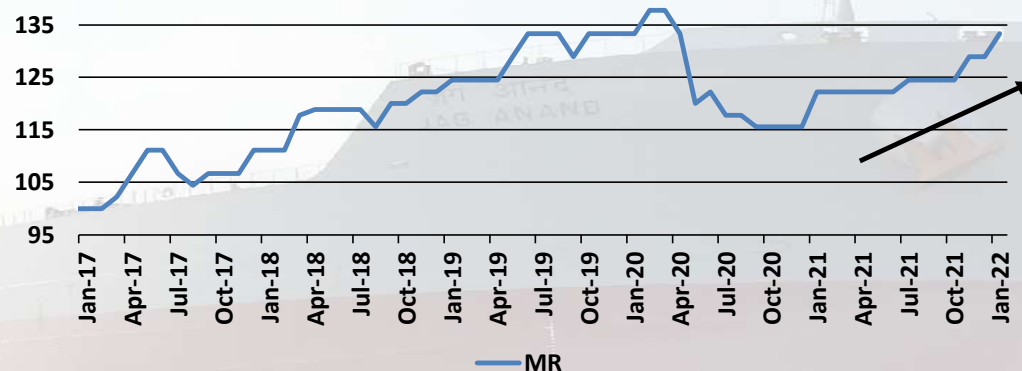
ASSET PRICE MOVEMENT

ASSET PRICE MOVEMENT (INDEXED) Over the Last 5 Years

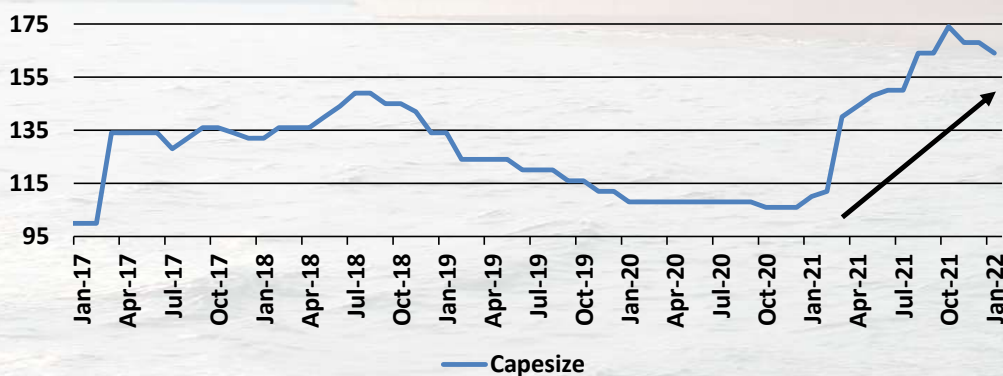
5 Yr Old Asset Value Movement (Crude)



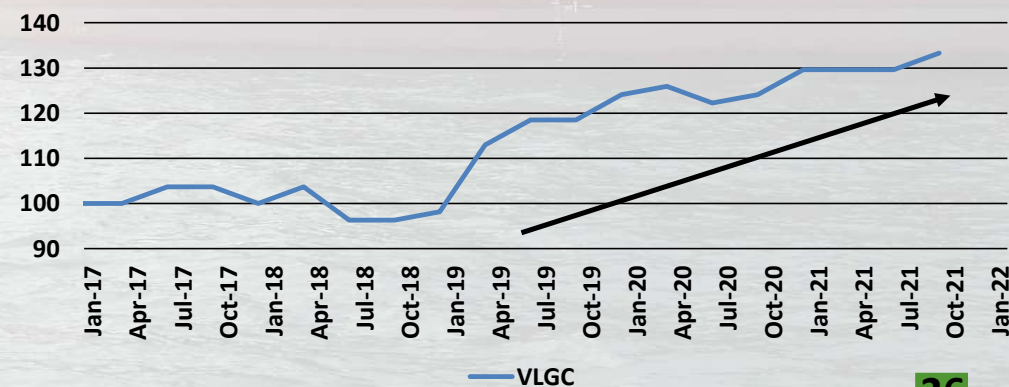
5 Yr Old Asset Value Movement (Product)



5 Yr Old Asset Value Movement (Dry Bulk)



5 Yr Old Asset Value Movement (LPG)



Sources: Industry Reports

SCRAPPING

Vessel Category	Fleet (mn Dwt)	Scrapping (% of beginning world fleet)							
	Dec 21	CY2021	CY2020	CY2019	CY2018	CY2017	CY2016	CY2015	CY2014
Crude	435	2.47%	0.53%	0.55%	4.39%	2.43%	0.39%	0.38%	1.75%
Product	178	2.11%	0.57%	0.60%	1.72%	1.22%	0.54%	0.62%	1.10%
Dry Bulk	945	0.56%	1.74%	0.93%	0.54%	1.85%	3.78%	4.02%	2.24%

- Product tanker scrapping as a % of fleet has been the highest since 2012 while crude tanker scrapping as a % of fleet is the highest in last three years.
- High spot freight rates in the dry bulk market has deterred significant scrapping in the sector.

**Greatship (India)
Limited**
(a 100% subsidiary)



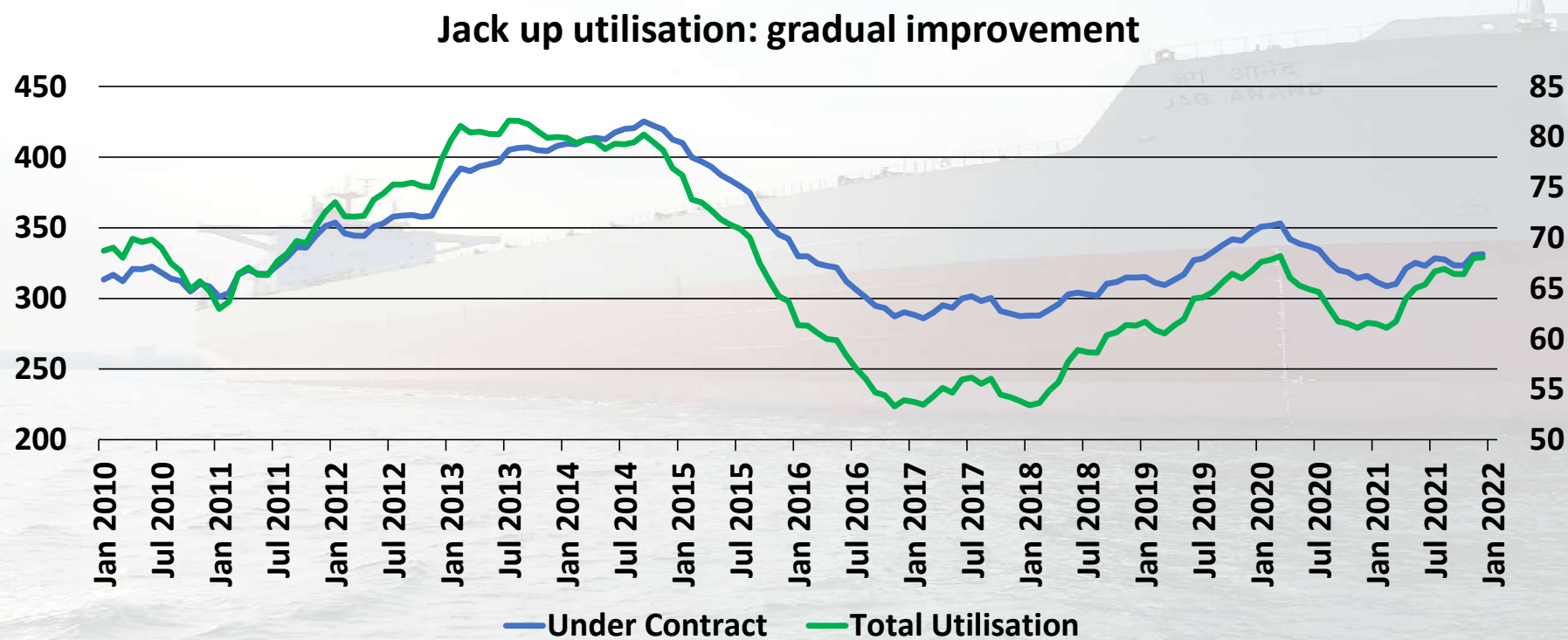
Fleet Supply

Increasing number of Cold Stacked Rigs

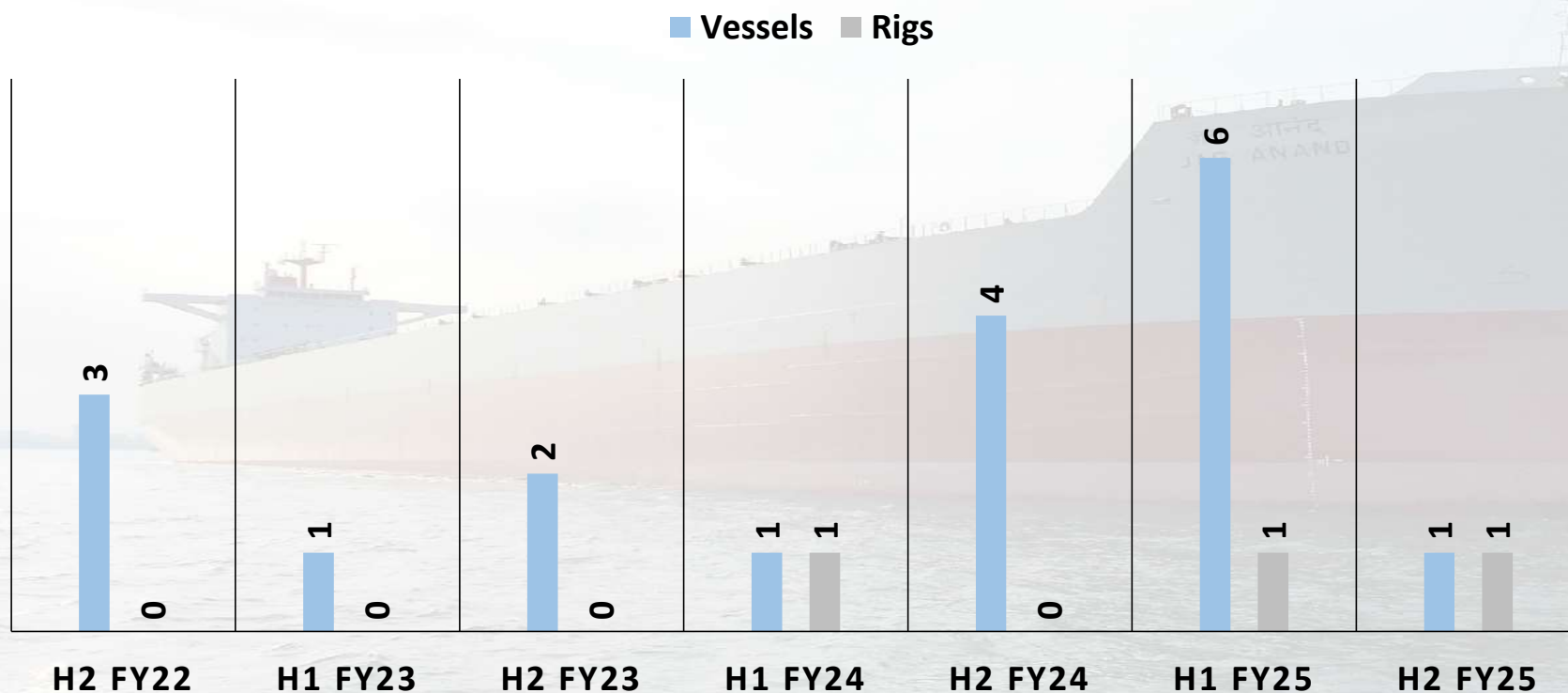
Number	Jackup Rigs	PSVs + AHTSVs
Current Fleet	488	3,519
Orderbook	30	141
<i>O/B to current fleet</i>	6.1%	4.0%
<i>Total Scrapping since January 2016 (nos.)</i>	139	485
<i>No. of Vessels/Rigs more than 20/30 years old (as %age of fleet)</i>	34%	19%
<i>Cold Stacked more than 3 years</i>	52	684

There is a large potential for scrapping over next few years if the market continues to remain weak.

Market Trends: Utilisation



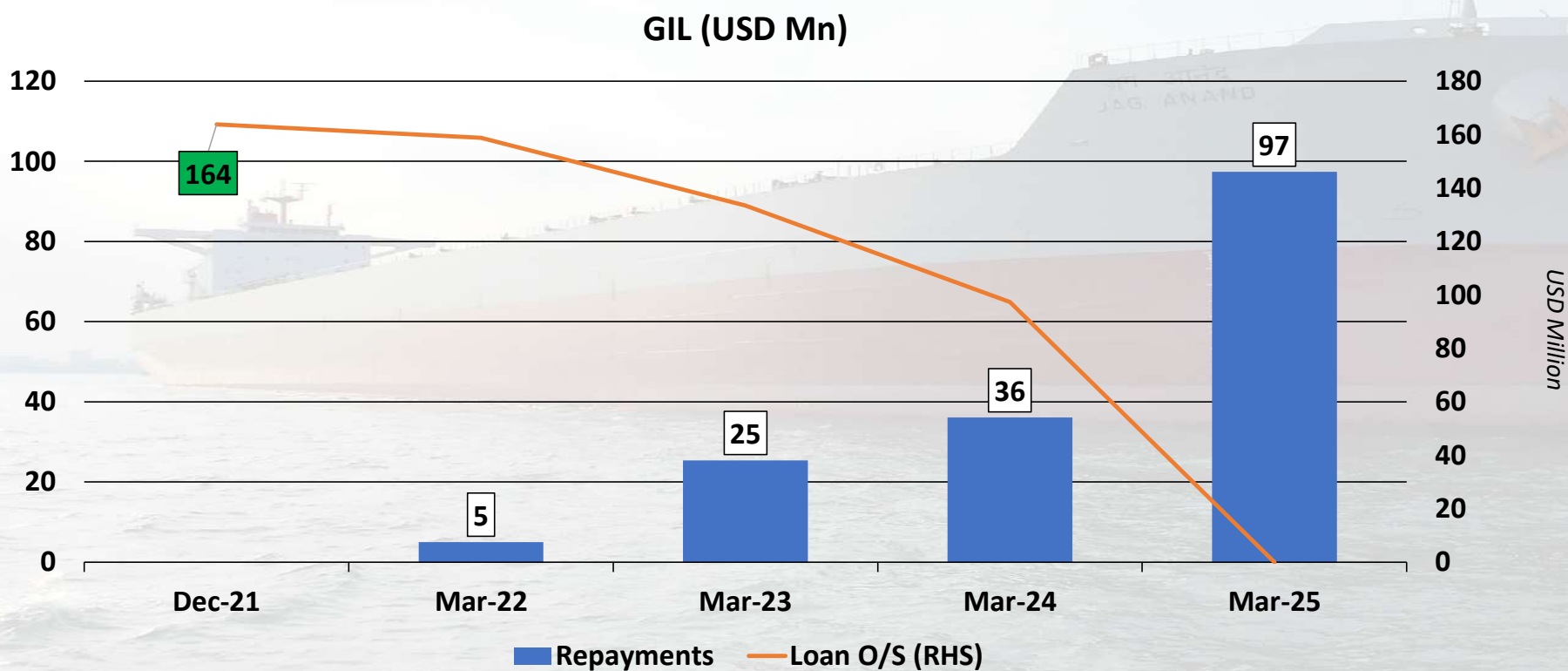
Repricing



One JU Rig has received LOA for next contract after completion of the existing contract. It comes for repricing only in H2FY26

GREATSHIP

DEBT REPAYMENT SCHEDULE (NEXT 5 YEARS)



INITIATIVES ON ENVIRONMENT

- Voluntarily published our first Environment Social Governance (ESG) report
- Established a working group for feasibility study on alternate fuels and fuel optimisation technologies in view of the IMO emission reduction targets.
- After the Jan 2020 IMO mandate on switching from 3.50% Sulphur to 0.5%, there has been a drastic reduction of 83.65% of Sulphur Oxide (Sox) emissions by following a mixed strategy of using low sulphur fuel and installation of EGCS (Scrubber)
- Created an ESG profile of our company based certain ESG metric. The profile is available on our website under “SUSTAINABILITY” tab

INITIATIVES ON ENVIRONMENT

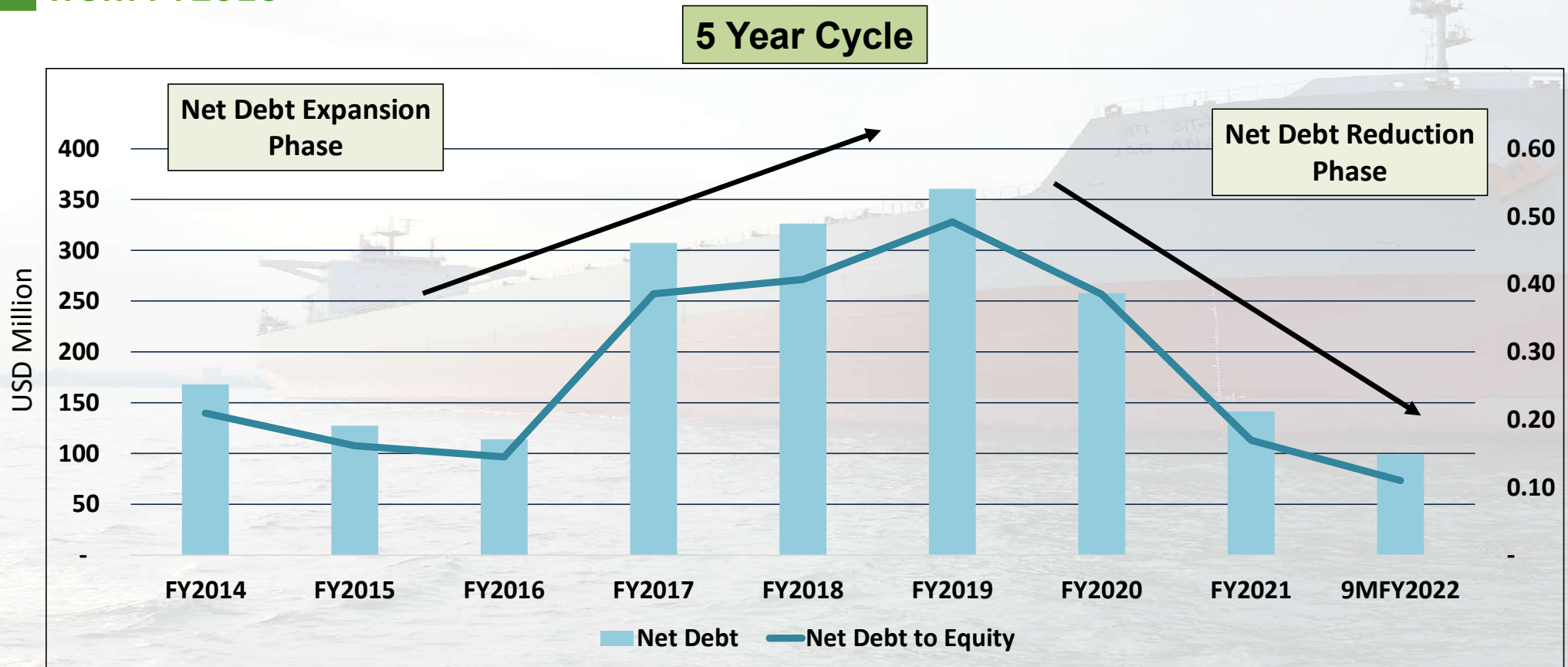
Implementation of various energy saving devices

- High Performance Paint
- Mewis Duct
- Propeller Boss Cap Fins (PBCF)
- ECO Cap
- LED Lightings
- Rudder Bulb
- Pre-swirl Fins

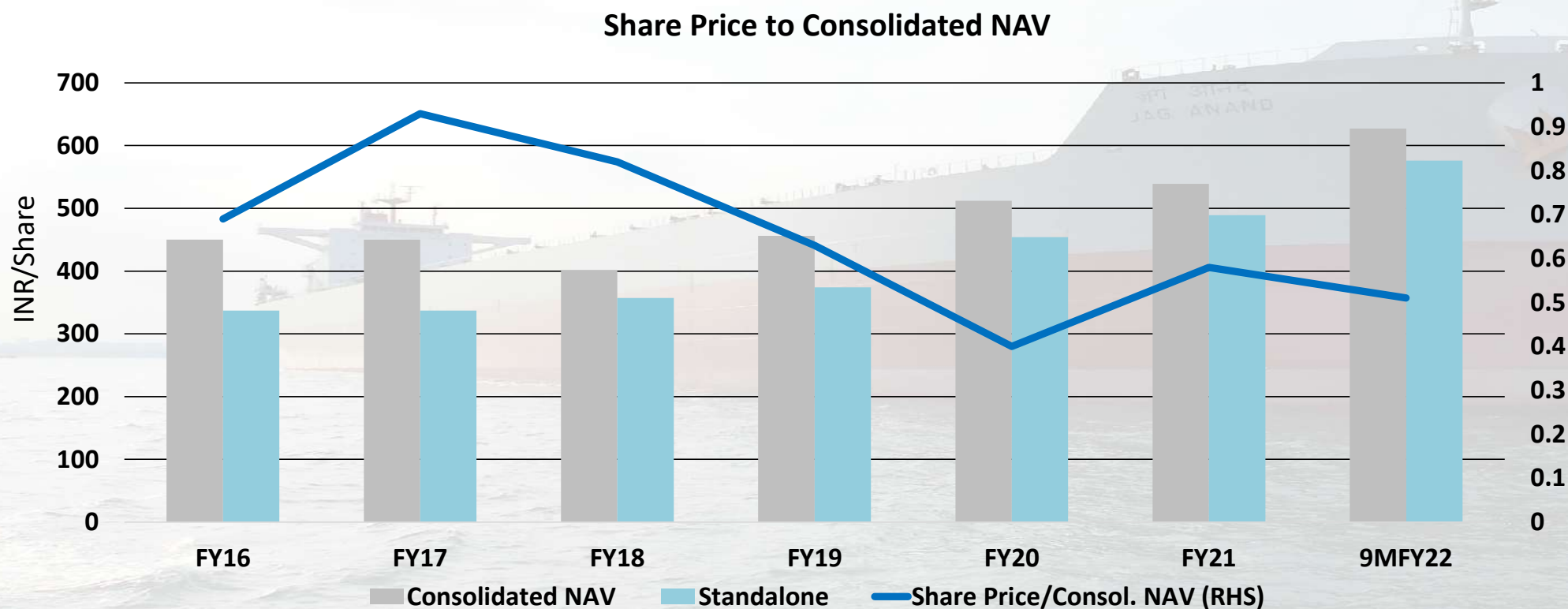
FINANCIALS

Counter Cyclical Investments have Generated Strong Cash Flows

Net CAPEX of over 400 mn USD but Net Debt has declined by 10 mn USD from FY2016



Share Price to Consolidated NAV



** For 9MFY22 we have taken share price as on 27th January 2022*



THANK YOU
visit us at www.greatship.com