



Q3 & 9M FY23 Earnings Presentation 01 February 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.

9MFY23 HIGHLIGHTS

- Highest ever 9 months net profit of INR 1853 cr on a consolidated basis
- First time ever our consolidated NAV has crossed INR 1000/share
- Highest ever dividend announced of INR19.80/share

REPORTED HIGHLIGHTS

- GE Shipping 9MFY23 consolidated Net Profit at INR 1,853 Cr
- Declared 3rd interim dividend of INR 7.20/Share for FY2023

	Standalone			Consolidated		
Fig in INR Crores	Q3 FY23	Q3 FY22	9M FY23	Q3 FY23	Q3 FY22	9M FY23
Income Statement						
Revenue*	1,261	774	3,828	1,522	932	4,620
EBITDA*	796	431	2,290	898	459	2,667
Net Profit	604	253	1,720	627	205	1,853
Balance Sheet						
Total Assets	12,174	10,928	12,174	15,416	13,927	15,416
Equity	8,002	6,544	8,002	9,679	7,989	9,679
Gross Debt	2,998	3,486	2,998	4,153	4,695	4,153
Net Debt	(1,319)	352	(1,319)	(1,156)	810	(1,156)
Cash Flows						
- From Operating Activities	782	423	1,973	857	429	2,256
- From Investing Activities	(98)	(72)	44	(72)	(92)	12
- From Financing Activities	(177)	(170)	(872)	(250)	(219)	(1,064)
Net Cash Inflow/Outflow	507	181	1,145	535	118	1,204

* 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

- GE Shipping 9MFY23 consolidated Net Profit at INR 1,883 Cr
- Declared 3rd interim dividend of INR 7.20/Share for FY2023

	Standalone			Consolidated		
	Q3	Q3	9M	Q3	Q3	9M
Fig in INR Crores	FY23	FY22	FY23	FY23	FY22	FY23
Income Statement						
Revenue*	1,261	774	3,828	1,522	932	4,620
EBITDA*	771	377	2,221	883	389	2,580
Net Profit	605	226	1,750	643	165	1,883
Balance Sheet						
Total Assets	12,174	10,928	12,174	15,416	13,927	15,416
Equity	8,002	6,544	8,002	9,679	7,989	9,679
Gross Debt	3,668	3,849	3,668	4,823	5,058	4,823
Net Debt	(650)	715	(650)	(486)	1,174	(486)

* Including Other Income

NORMALISED FINANCIAL HIGHLIGHTS



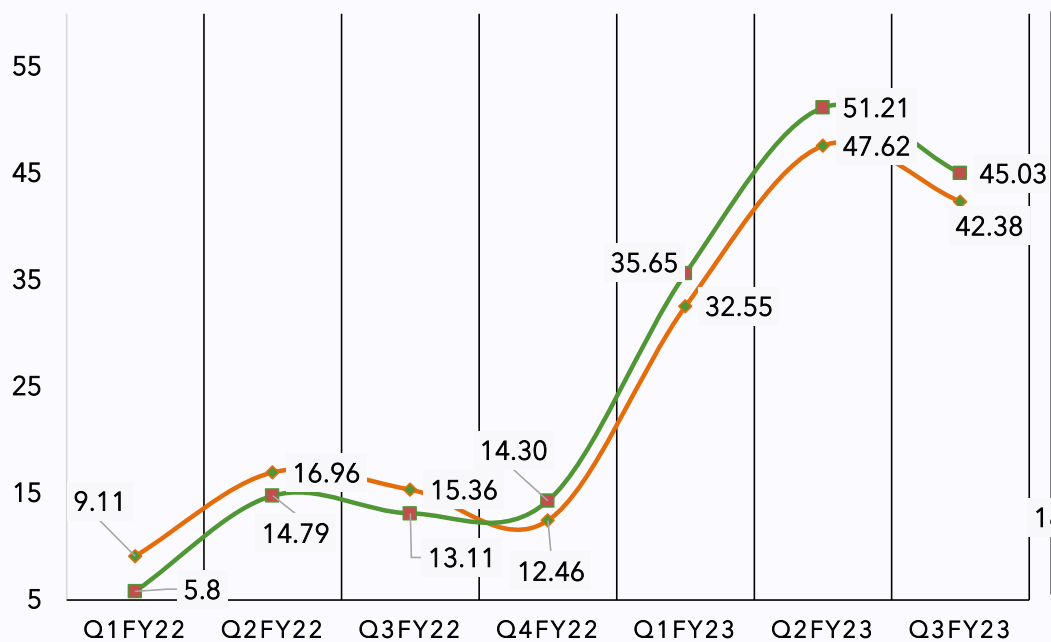
	Standalone			Consolidated		
	Q3 FY23	Q3 FY22	9M FY23	Q3 FY23	Q3 FY22	9M FY23
Key Financial Figure						
Return on Equity (ROE%)**	32%	14%	32%	27%	8%	28%
Return on Capital Employed (ROCE%)**	23%	10%	22%	20%	6%	20%
Gross Debt/Equity (x)	0.46	0.59	0.46	0.50	0.63	0.50
Net Debt/Equity (x)	(0.08)	0.11	(0.08)	(0.05)	0.15	(0.05)
Earnings Per Share (EPS - INR/Share)	42.38	15.36	122.55	45.03	11.19	131.90
Cash Profit Per Share (INR/Share)	50.61	23.34	146.81	57.95	23.70	170.04
Dividend Per Share (INR/Share)	7.20	-	19.80	7.20	-	19.80
Net Asset Value Per Share (INR/Share)	892	576	892	1,014-1,082	602-651	1,014-1,082

**Annualised

NORMALISED FINANCIALS - KEY RATIOS

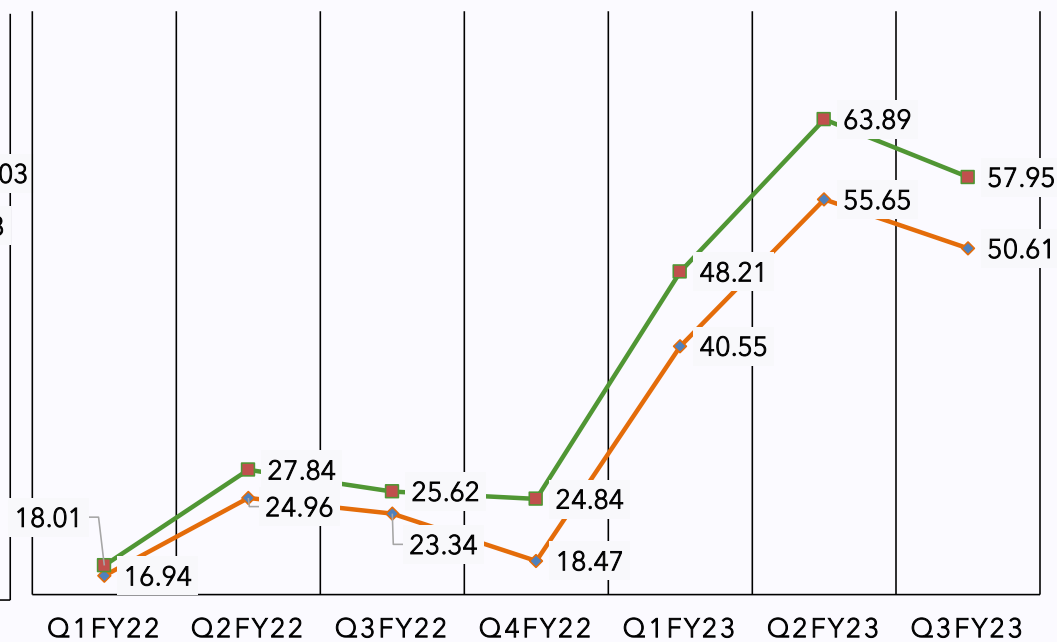
Earnings per Share (INR/Share)

Standalone Consolidated

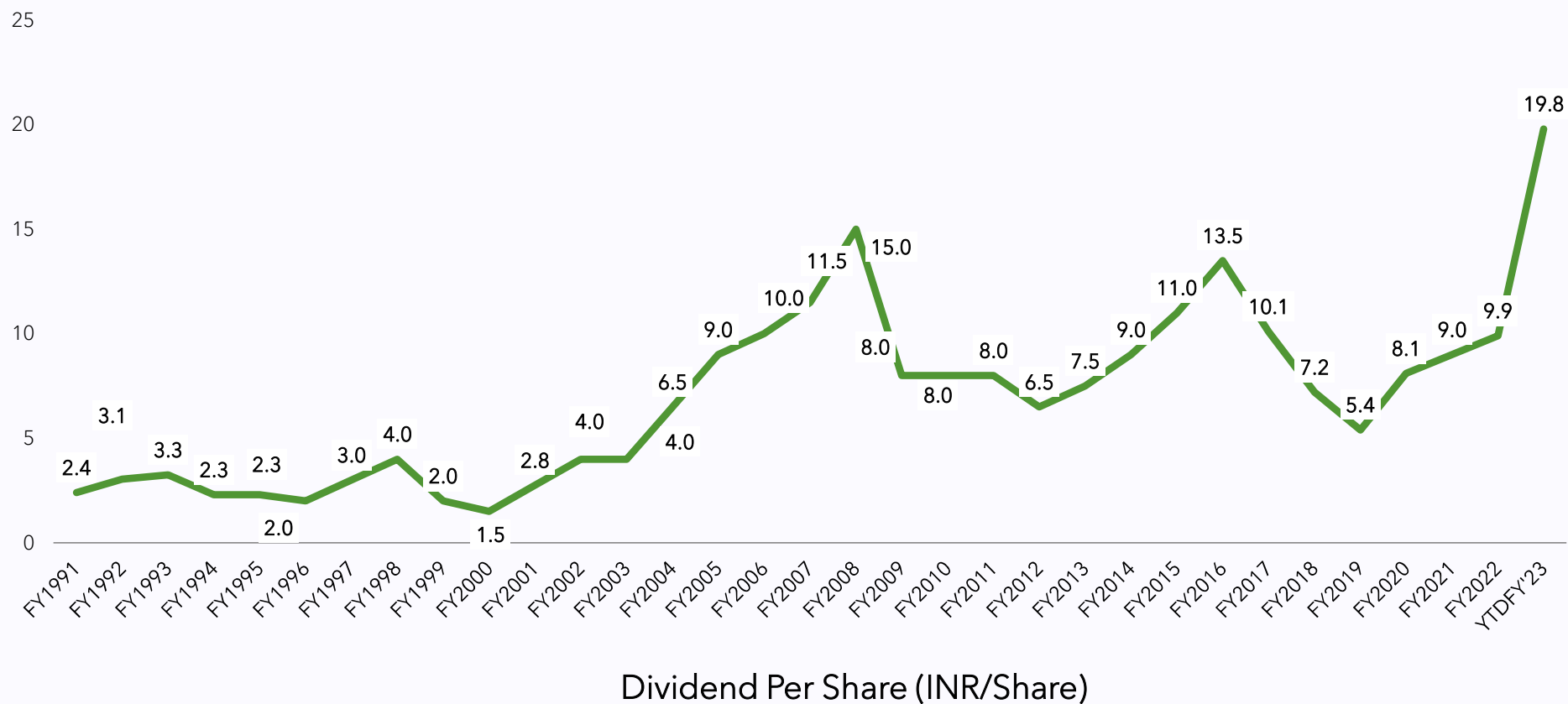


Cash Profit per Share (INR/Share)

Standalone Consolidated



CONSISTENT DIVIDEND PAYOUTS

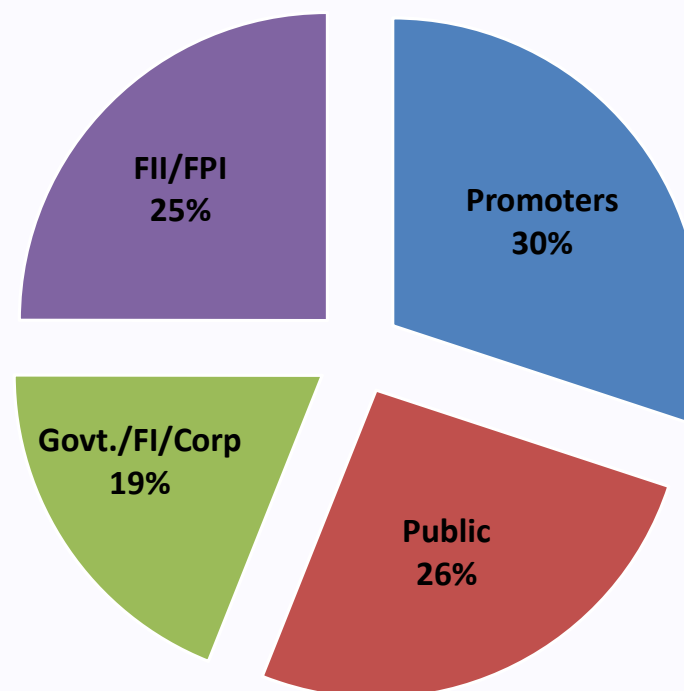


PROFIT & LOSS STATEMENT - INDUSTRY FORMAT

	Standalone			Consolidated		
Figures in INR Crores	Q3 FY23	Q3 FY22	9M FY23	Q3 FY23	Q3 FY22	9M FY23
Operating Revenue	1,207	753	3,603	1,415	932	4,214
Less: Direct Operating Expenses/Voyage Expenses	219	186	852	236	194	881
Time Charter Equivalent (A)	988	567	2,751	1,179	738	3,333
Profit on Sale of Ships and Other Assets	- 0	0	117	- 0	0	117
Other Income	54	21	109	108	0	289
Total Other Income (B)	54	21	226	108	0	407
Other Operating Expense	214	168	592	328	257	883
Administrative and General Expense	58	42	163	82	77	230
Total Expense (C)	272	210	755	409	334	1,113
EBITDA D = (A+B+C)	771	377	2,221	877	404	2,626
Depreciation and Amortisation (E)	117	117	346	184	184	545
Impairment (F)	-	-	-	-	-	-
Operating Profit Including Other Income G= (D-E-F)	653	260	1,874	693	220	2,081
Finance Expense (H)	64	60	202	85	76	266
Derivative Losses Gains (I)	17	(53)	103	13	(54)	77
Foreign Currency Exchange Losses/(Gains) (J)	(43)	(1)	(172)	(33)	(2)	(118)
Income Tax Expense (K)	11	1	22	2	6	3
Net Profit (G-H-I-J)	604	253	1,720	627	205	1,853



SHAREHOLDING PATTERN



31-DECEMBER-2022

MANAGEMENT COMMENTARY

Mr. Bharat K Sheth
Deputy Chairman & Managing Director



"The Company has declared its highest ever quarterly profit if we remove the effect of the profit on sale booked in Q2 FY23.

The Company has also reached its highest ever Consolidated NAV of Rs 1048. This rise is due to both asset value increases and very strong cash profits.

The Shipping markets remain well poised at this juncture. With supply being at multi decade lows, how rates pan out from here on, will depend a large extent on the demand pick up and on China coming back as a demand driver

With oil prices continuing to stay elevated, the offshore market has shown signs of significant strength. Global effective utilisation levels for Jack up rigs are close to 90% for the first time since 2014.

On the balance sheet front, we continue to use the strong cash flows to pay dividends and prepay debt where possible. With payment of our third interim dividend for FY 2022-23, we have now paid Rs. 19.80 per share in dividends for the year, the highest ever dividend paid by the Company"

PERFORMANCE REVIEW



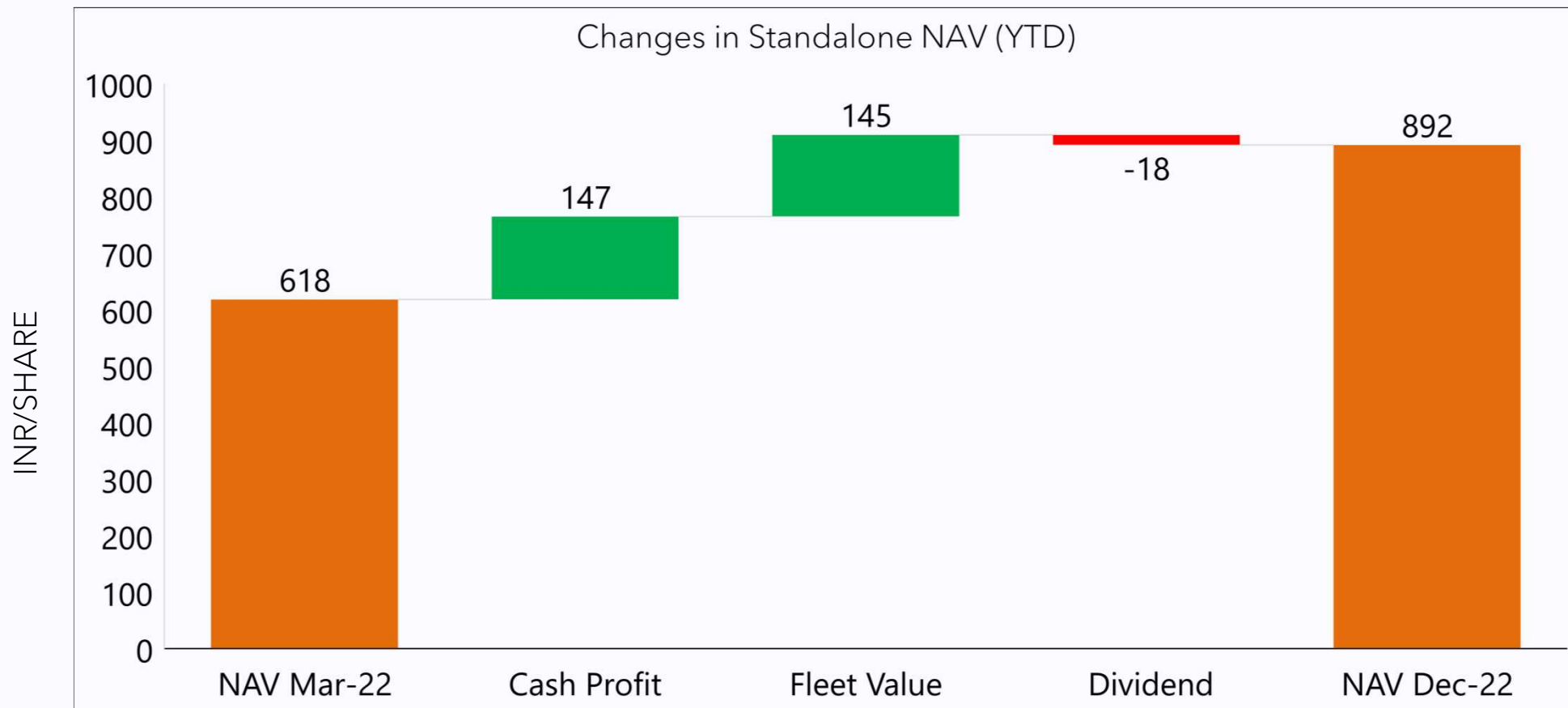
Breakup of Revenue Days (Shipping)	Q3	Q3
Revenue Days	FY23	FY22
Owned Tonnage	3,684	3,993
Inchartered Tonnage	94	28
Total Revenue Days	3,778	4,021
Total Owned Tonnage (mn.dwt)	3.44	3.57

Breakup of Revenue Days (Offshore)	Q3	Q3
Revenue Days	FY23	FY22
Offshore Logistics	1,507	1,498
Drilling Services	295	337
Total	1,802	1,835

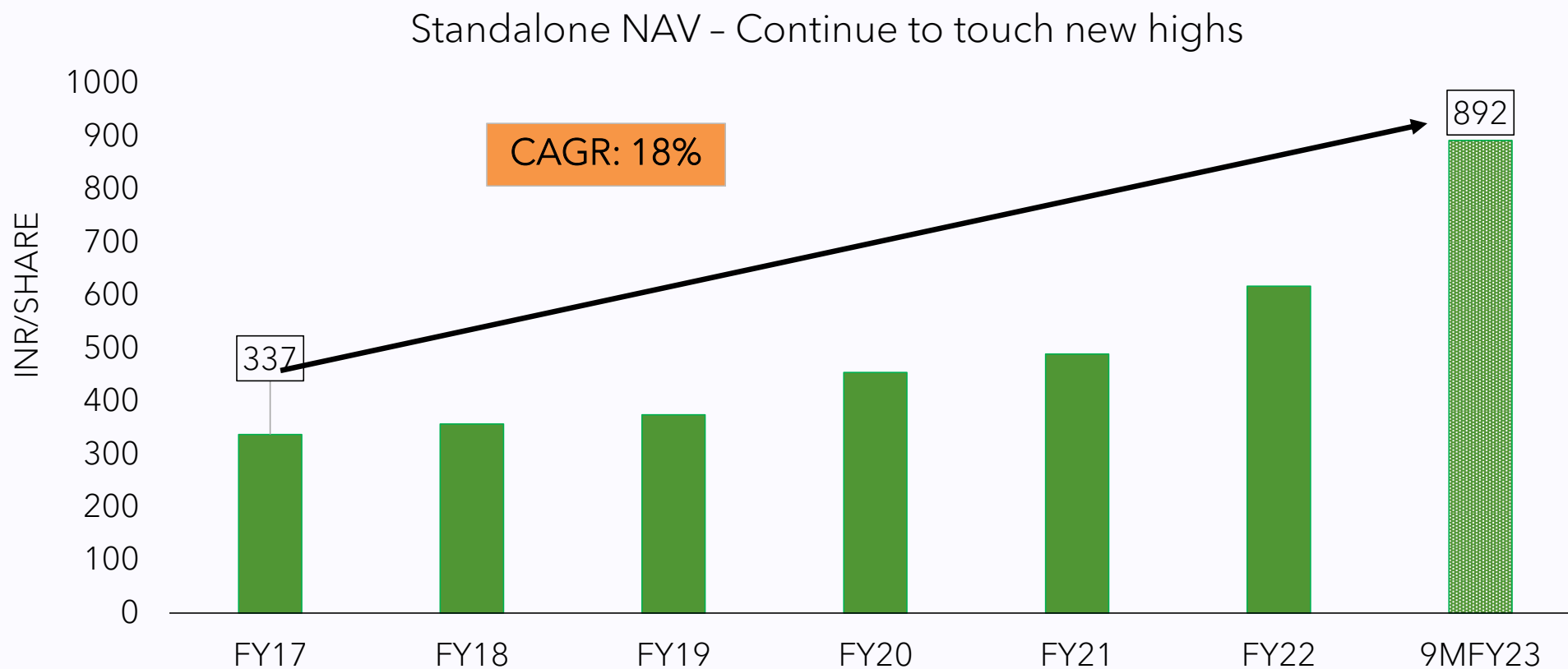
PERFORMANCE REVIEW

Avg TCYs in Various Categories	Q3 FY23	Q2 FY23	QoQ %	Q3 FY22	YOY %
Avg (TCYs USD/Day)					
Crude Carriers	60,143	33,076	82%	12,098	397%
Product Carriers	36,423	35,691	2%	10,689	241%
LPG Carriers	29,803	31,235	-5%	28,609	4%
Dry Bulk	17,020	21,882	-22%	31,003	-45%

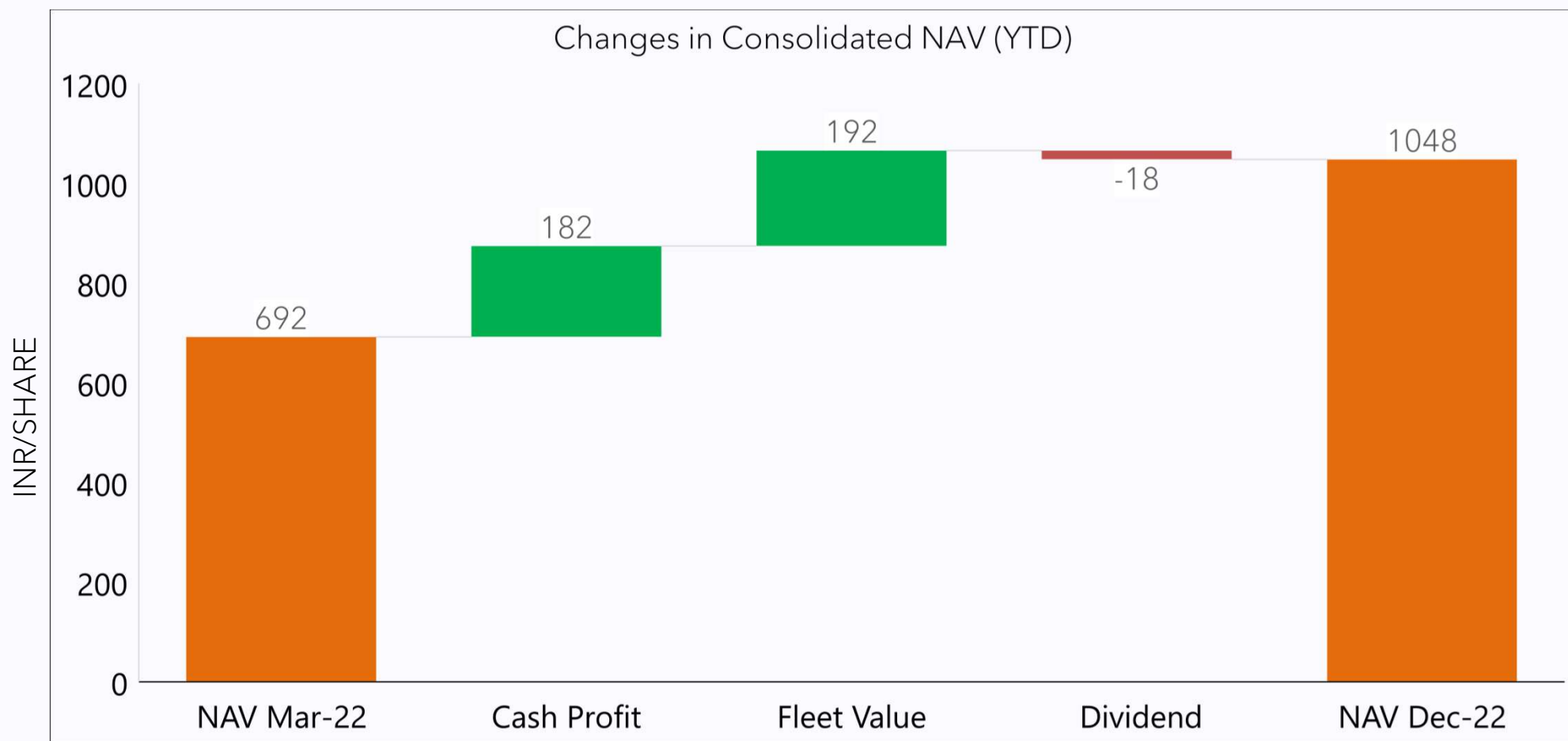
CHANGES IN STANDALONE NAV (YTD)



5 YEARS MOVEMENT IN STANDALONE NAV



CHANGES IN CONSOLIDATED NAV (YTD)



REVENUE COVERAGE

Coverage of Operating Days (Shipping)

Category	Q4 FY23
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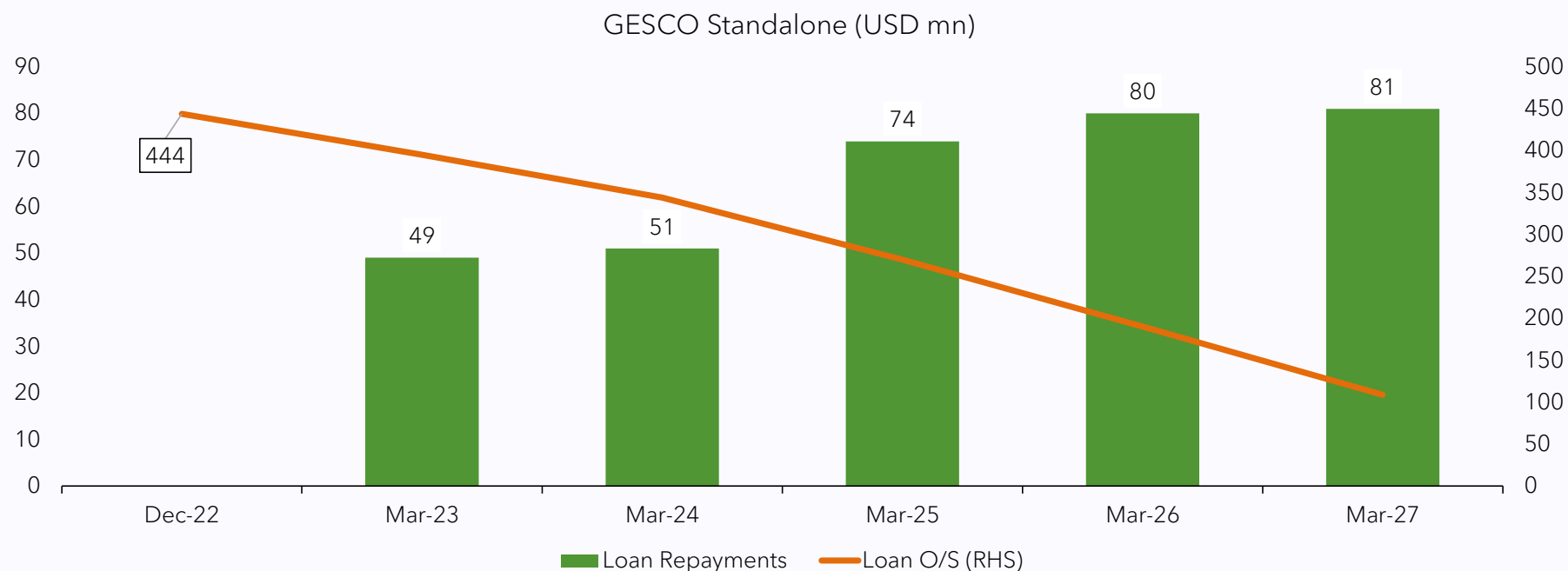
Crude Carriers	50%
Product Carriers	45%
LPG Carriers	100%
Dry Bulk	65%

Coverage of Operating Days (Off-Shore)

Revenue Days	Q4 FY23
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Jack Up Rigs	99%
AHTSV	93%
MPSVV	87%
PSV/ROVSV	84%

STANDALONE DEBT REPAYMENT SCHEDULE



- 1) Prepaid USD 45 Mn of debt in 9MFY23.
- 2) Of the USD 49 Mn payable in Q4FY23, we have already paid USD 44 Mn in Jan-23 (NCD Maturity)
- 3) Effective all-in USD cost of debt of about 4.00% basis Dec-22
- 4) 90% of debt portfolio is fixed.

FLEET PROFILE



Fleet Profile - Shipping		Fleet (1 Feb'23)	
Fleet	DWT FY23	No	Avg Age
Crude Carriers	947,968	7	14.73
Product Carriers	1,092,465	18	14.89
Gas Carriers	185,363	4	17.21
Dry Bulk Carriers	1,210,805	14	9.81
Total	3,436,601	43	13.18

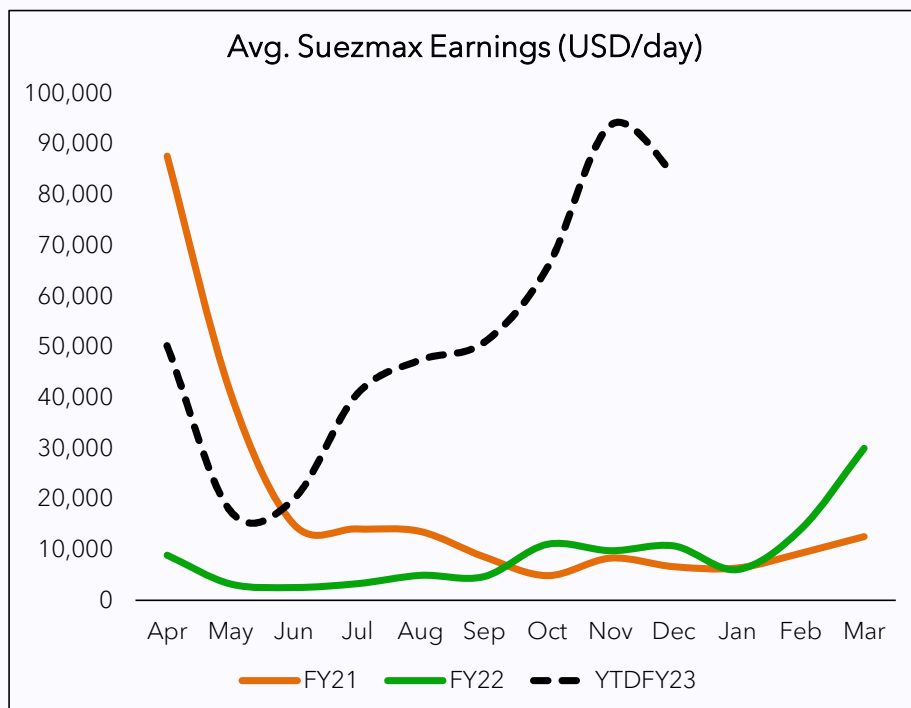
Fleet Profile - Offshore		Avg Years	
Fleet	No. of Units	Yrs.	
Jack Up Rigs	4	11.32	
Platform Supply Vessels	4	13.49	
Anchor Handling Tug cum Supply Vessels*	8	12.95	
Multipurpose Platform Supply & Support Vessels	2	12.80	
ROV Support Vessels	4	11.35	

*Contracted to buy one AHTSV, expected to join the fleet by Q4FY23

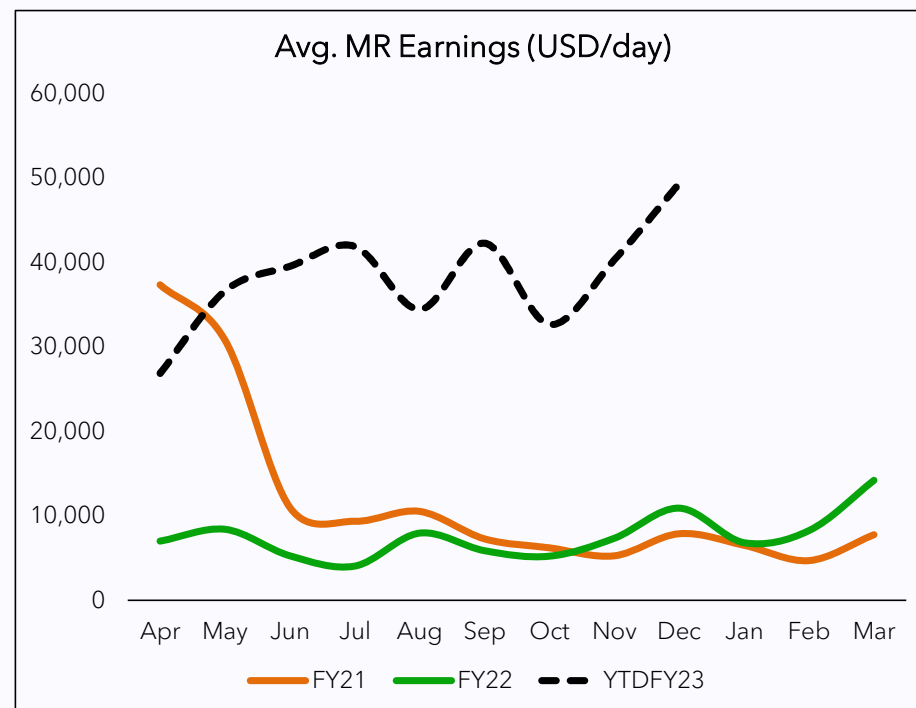


SHIPPING MARKET

CRUDE AND PRODUCT TANKERS



USD/day	FY22	FY23	% change
9M	6,549	52,203	697%



USD/day	FY22	FY23	% change
7M	6,880	38,195	455%

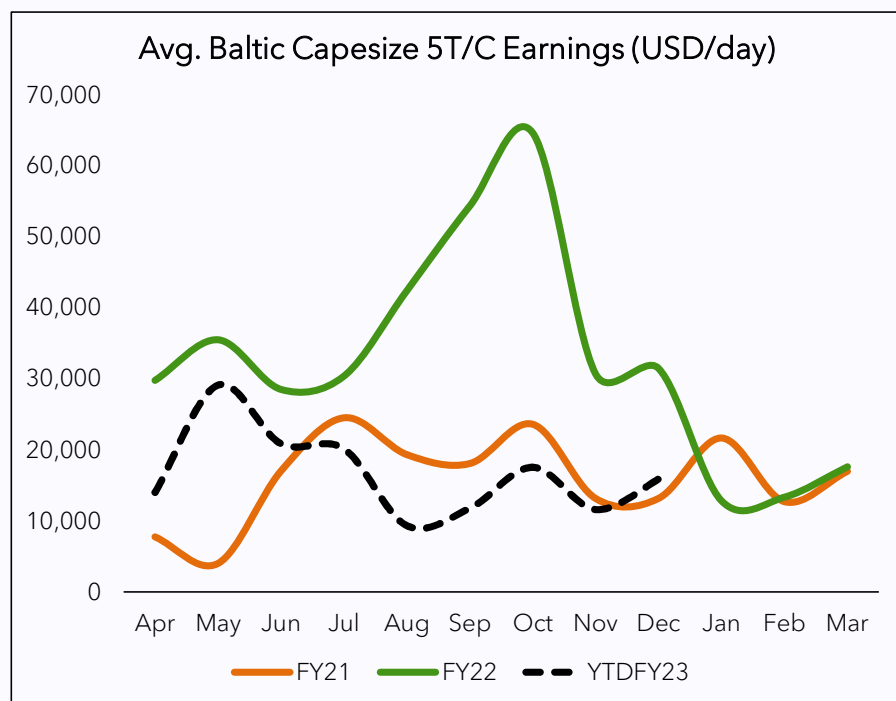
Sources: Industry Reports
GE Shipping - Q3 & 9MFY23 Results

CRUDE AND PRODUCT TANKERS

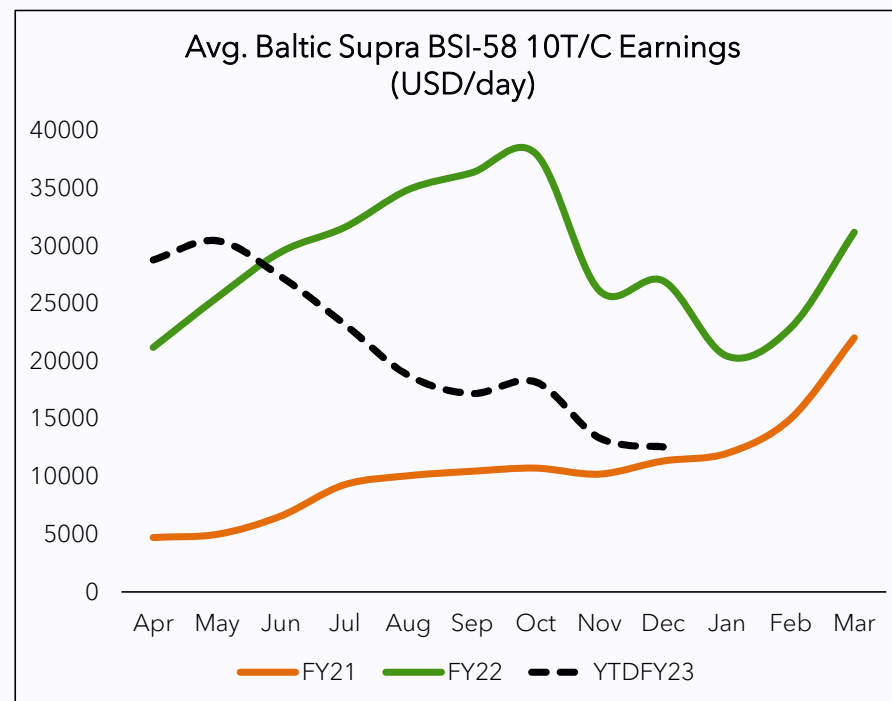
- Spot Earnings for the quarter reached a high since the war broke out in Feb 2022
- Asset prices trending upwards - Strongest since 2009
- Strong crude ton-miles growth in Cal22 significantly tightened the market
- EU embargo resulted in trade dislocation - Long Haul Trade picking up
- Europe increased product imports - East-West Movement supported Ton-miles

DRY BULK

DB Freight softened in 9MFY23 Y-O-Y, while Capes hovered at low end, Sub-Capes fell significantly



USD/day	FY22	FY23	% change
9M	38,655	16,711	-57%

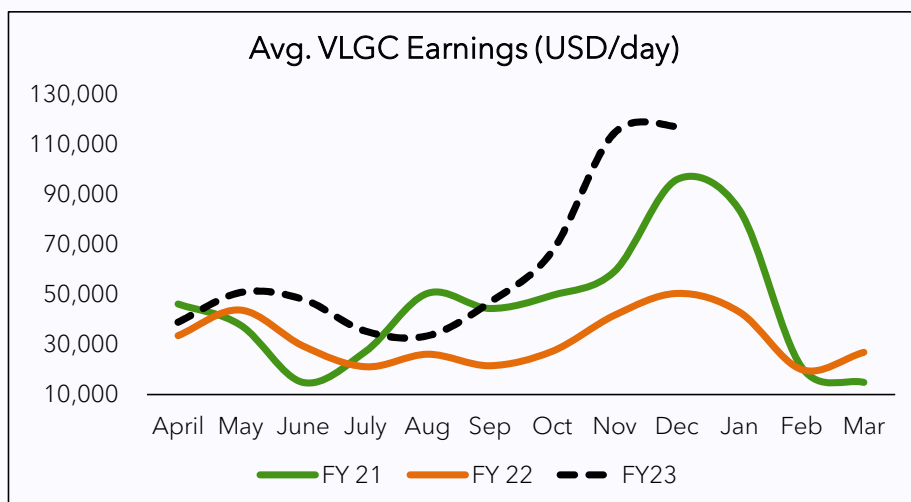


USD/day	FY22	FY23	% change
9M	30,020	21,111	-30%

DRY BULK

- Spot earnings remain soft - Half of last year's level in Q3
- Asset prices fell inline with earnings - Corrected 20% from peak levels
- Global steel production was down 4% y/y in CY 2022.
- China new property starts were down 40% y/y in CY 2022.
- Ukraine grain exports were down 55% y/y in CY 2022.
- Effective fleet supply increased as Covid related fleet congestion eased in CY 2022.

LPG GAS



VLGC Spot earnings sustained healthy levels during 9M FY-23 and were much higher YoY in comparison to 9M FY-22.

USD/day	FY22	FY23	% change
9M	32,821	61,484	87%

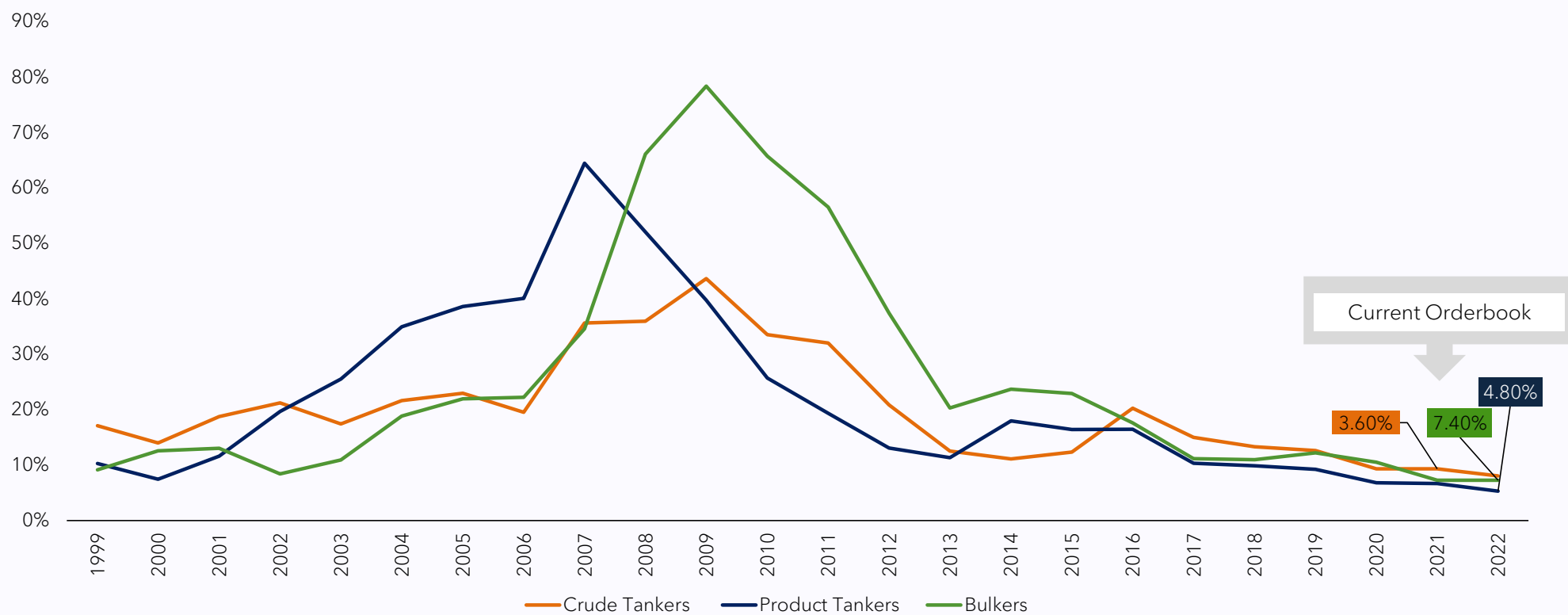
- Spot earnings zoomed past \$ 100kpd - Led by Panama congestion
- Asset prices followed earnings - Strongest Since 2015
- VLGC trade miles jumped - Double-digit growth in Cal22
- VLGC Orderbook - At elevated level in historical context



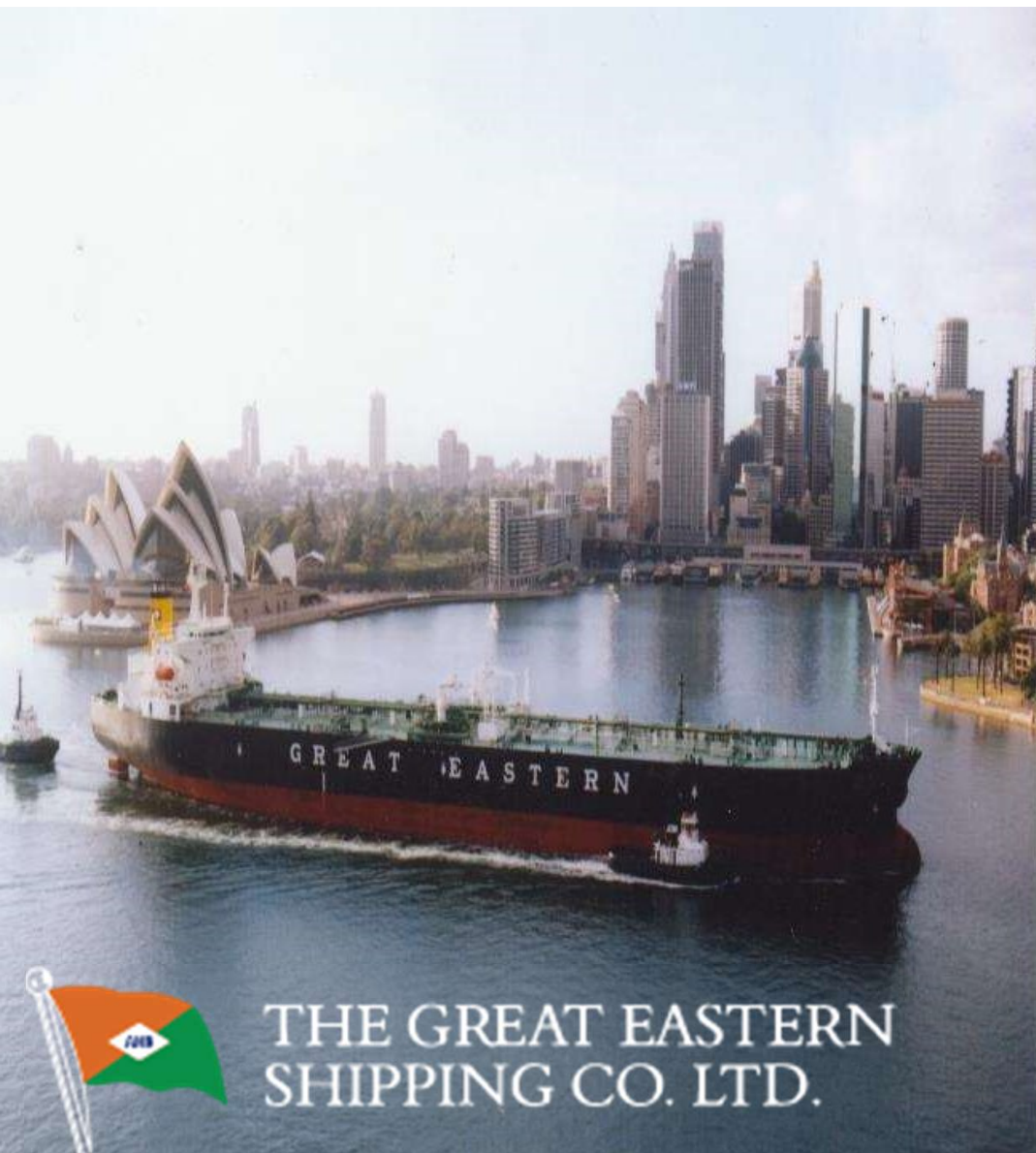
FLEET SUPPLY

LOWEST ORDER BOOK TO FLEET RATIO

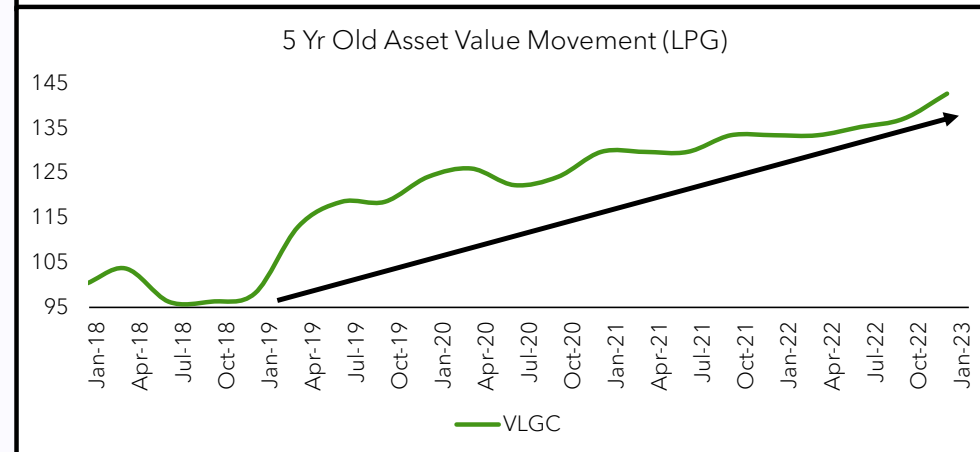
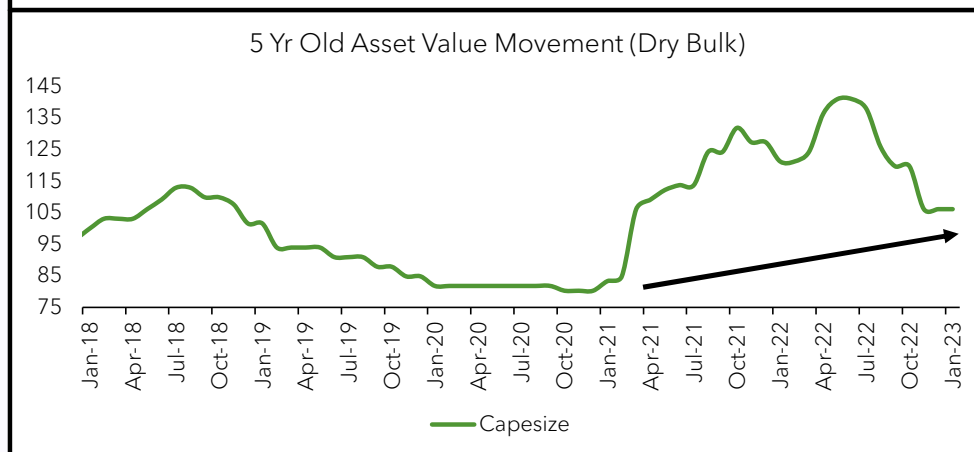
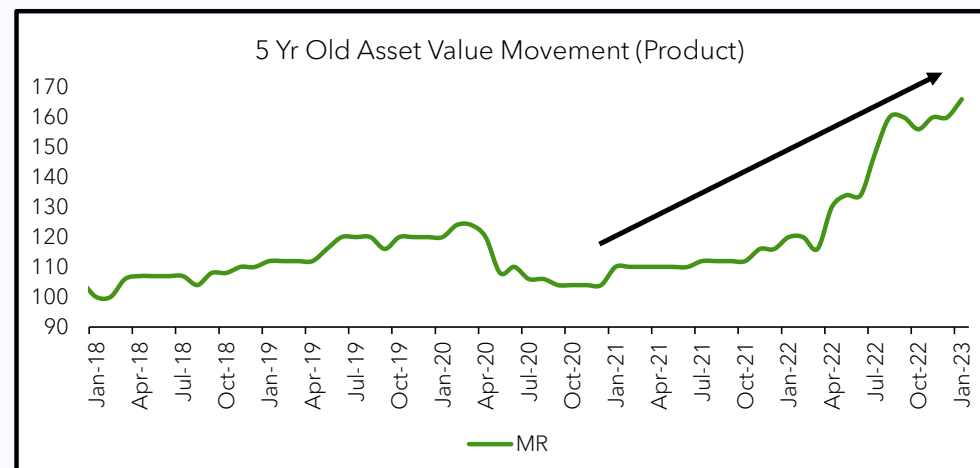
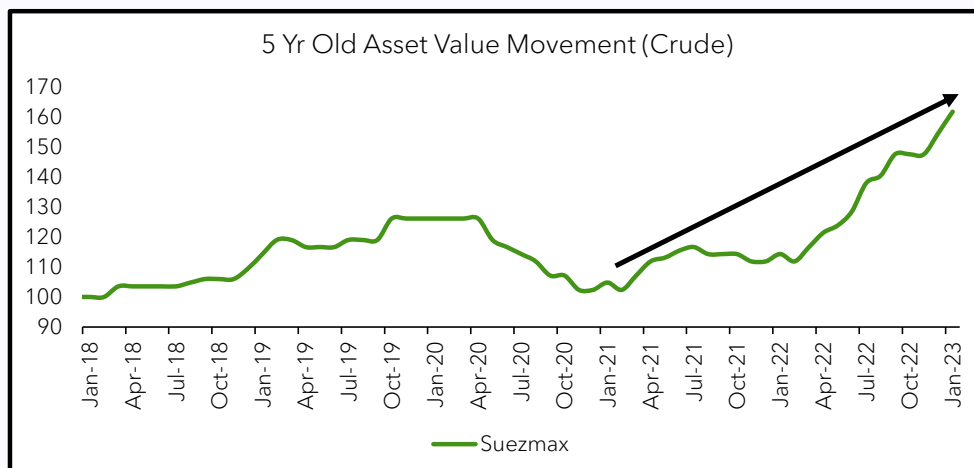
Historic Order Book as a % of fleet (Calendar Year)



ASSET PRICE MOVEMENT



ASSET PRICE MOVEMENT (INDEXED OVER LAST 5 YRS)



SCRAPPING

Vessel Category	Fleet (Mn Dwt) Jan'23								
Crude	452								
Product	181								
Dry Bulk	972								
Scraping (% Beginning world fleet)	CY	CY	CY	CY	CY	CY	CY	CY	CY
Vessel Category	2022	2021	2020	2019	2018	2017	2016	2015	2014
Crude	0.78	2.47	0.53	0.55	4.39	2.43	0.39	0.38	1.75
Product	0.76	2.11	0.57	0.60	1.72	1.22	0.54	0.62	1.10
Dry Bulk	0.50	0.56	1.74	0.93	1.85	1.85	3.78	4.02	2.24

- Scrapping for crude and product tankers was limited due to strong earnings recovery in Q2-Q4 of Cal 2022.
- Relatively healthy spot freight rates in the dry bulk market had capped scrapping during this period.

GREATSHIP (INDIA) LIMITED 100% SUBSIDIARY

JACK UP RIGS - MARKET

Demand Side:

- Middle East has been a big driver of incremental demand. Saudi has contracted 38 incremental JUs in 2022. Once these rigs commence contracts, the rig count tied on terms contracts with Saudi Aramco is estimated at reach 85-90 units (~20% of global fleet).
- Both Saudi and UAE have aggressive plans to increase production capacity. Offshore has played an increasingly larger role in incremental production

Utilization and rates:

- Modern rig utilization (contracted + future contracted) troughed at 60-65% in 2016-17. This has now moved to ~90% and inching towards levels seen during the super cycle 2006 to 2013.
- The leading-edge rate in ME/SEA markets have moved from 60-70K USD/day in 2020 to around 110K USD/day by end of 2022.

FLEET SUPPLY – INCREASING NUMBER OF COLD STACKED RIGS

Number	Jack-up Rigs	PSV+AHTSV
Current Fleet	493	3,472
Under Contract Fleet	358	2,199
Order Book	20	105
O/B to Current Fleet	4.1%	3.0%
Total Scrapping since Jan 2016 (Nos)	143	588
No of Vessels/Rigs more than 20/30 years old (% Fleet)	33%	20%
Cold stacked more than 3 years	45	578

- Given the length of the downturn and lack of orders, many yards have mothballed or repurposed the capacity. In the heydays of 2011-13, there were 24 yards that took 148 new building orders. In the last 6 years, only 1 yard has taken 2 new building orders
- Overall, the new building capacity stands severely curtailed and is unlikely to provide any meaningful new supply over next 3-4 years.

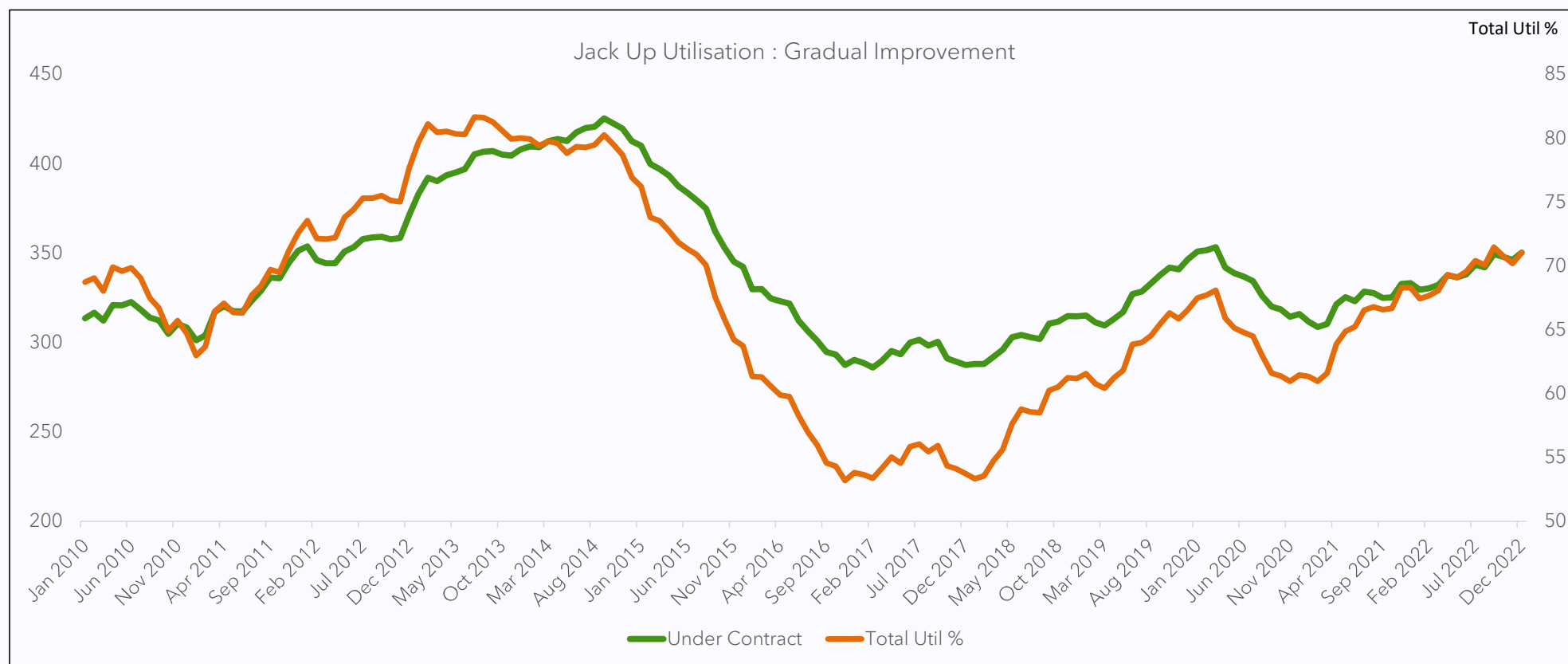
Asset Values:

- Asset values for modern rigs have jumped almost 100% from the levels seen in 2020.
- A 2014 built rig which got sold for \$42 Mn in Oct 2020 was resold for \$85 Mn in Aug 2022

Source: Industry Reports

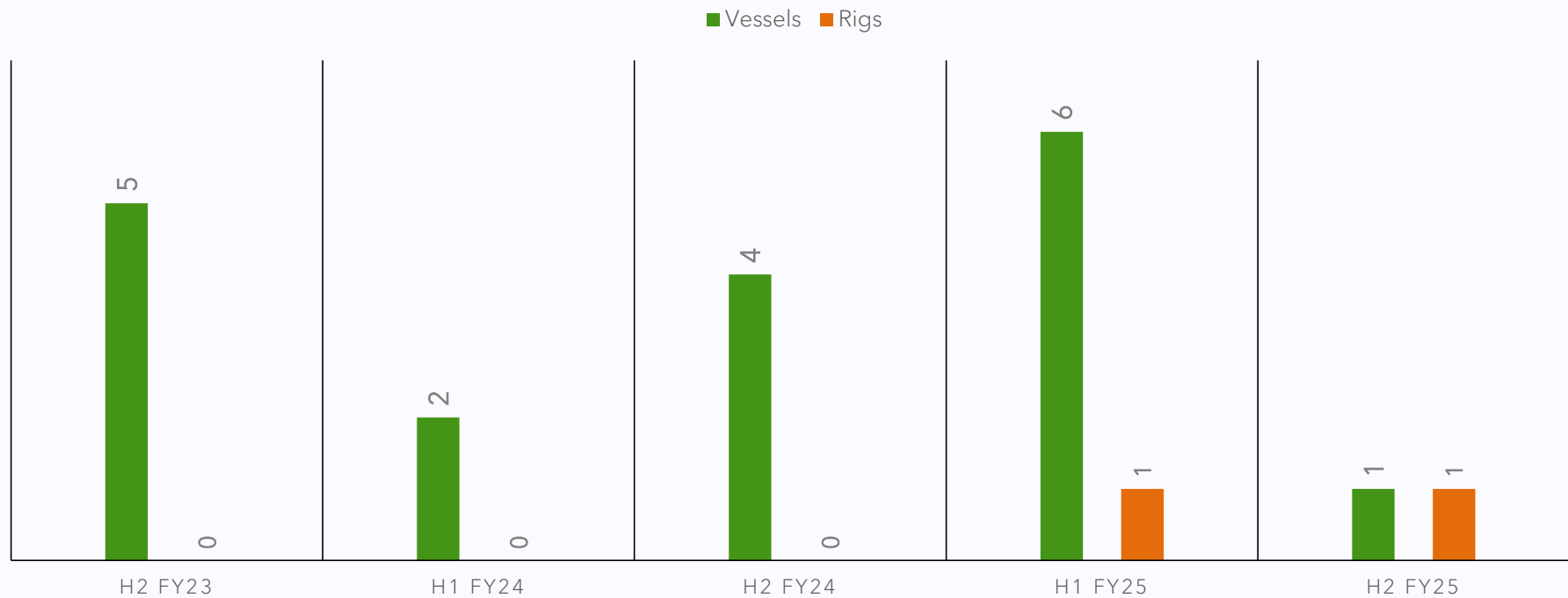
GE Shipping – Q3 & 9MFY23 Results

MARKET TRENDS: UTILISATION

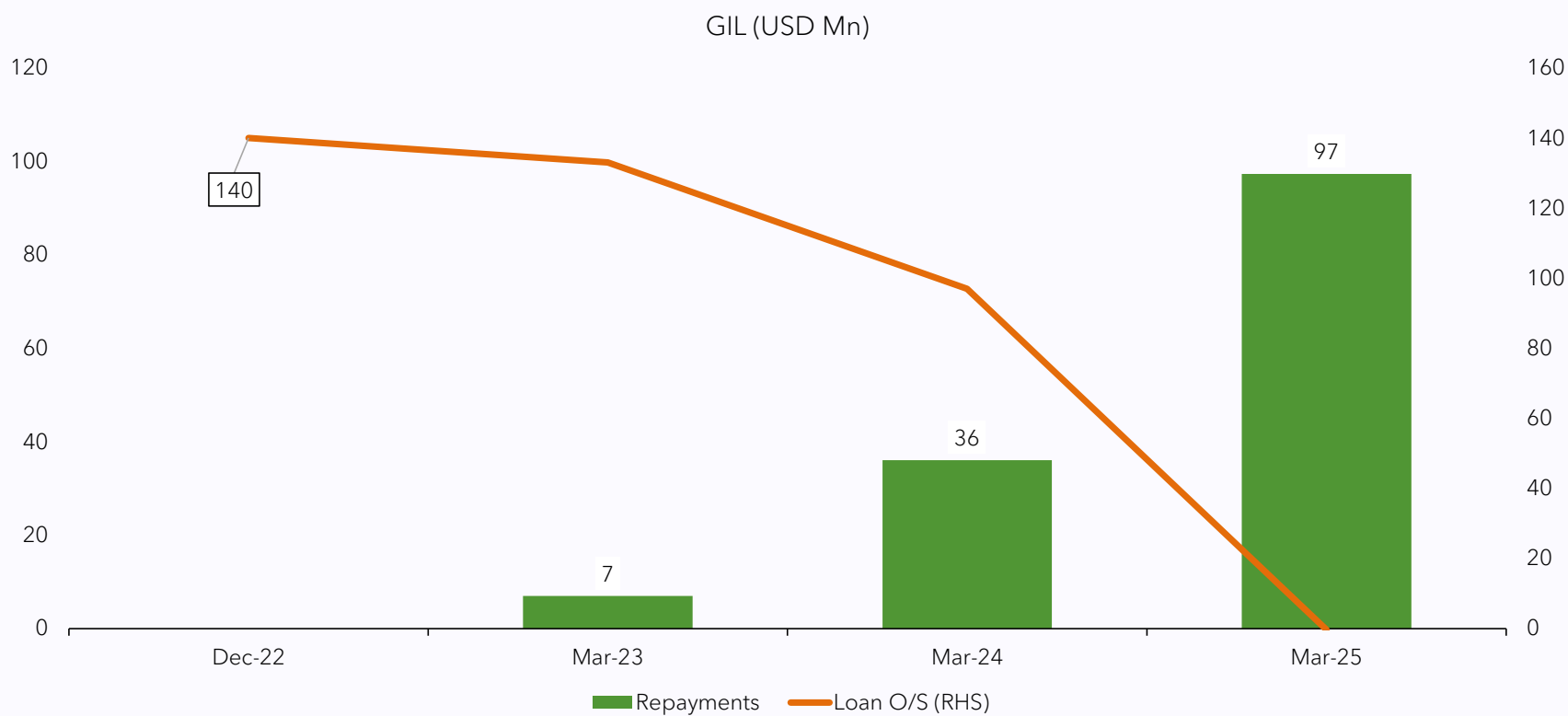


REPRICING

Remaining 2 rigs will come up for repricing in FY 26 and FY 27



DEBT REPAYMENT SCHEDULE

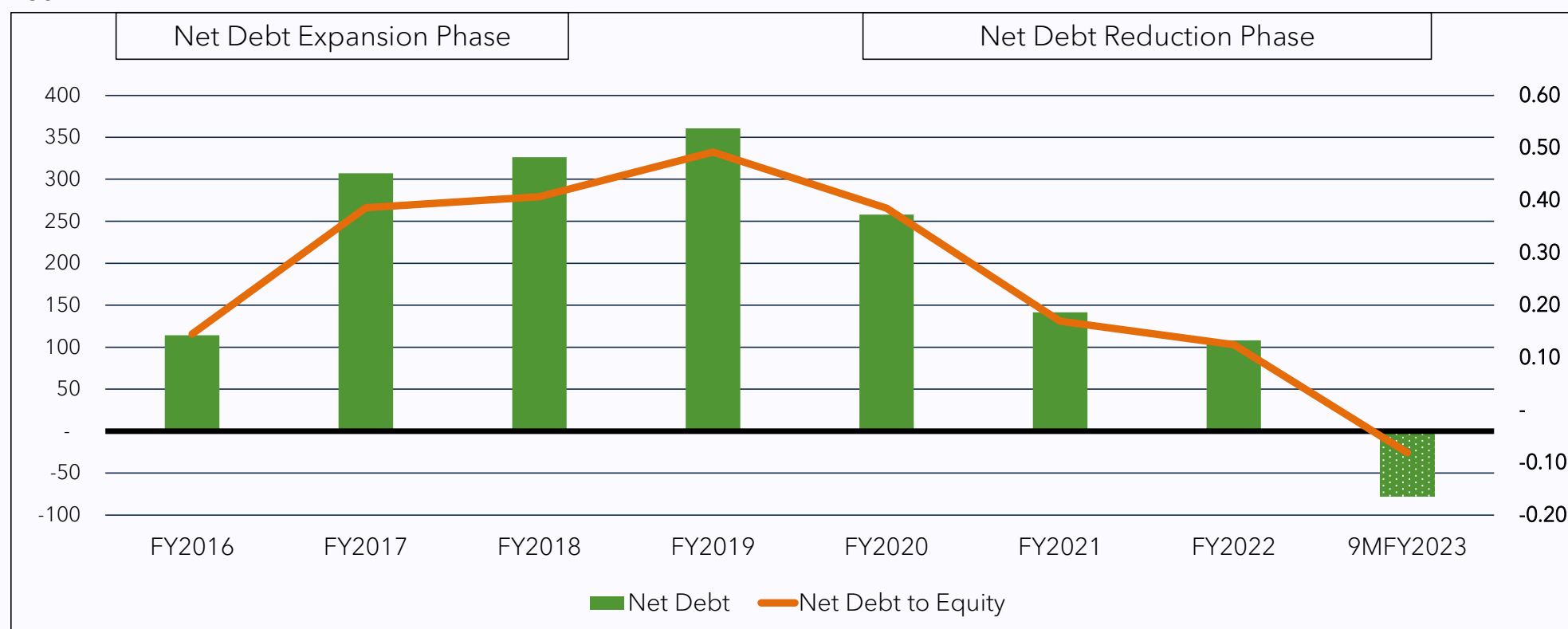


FINANCIALS



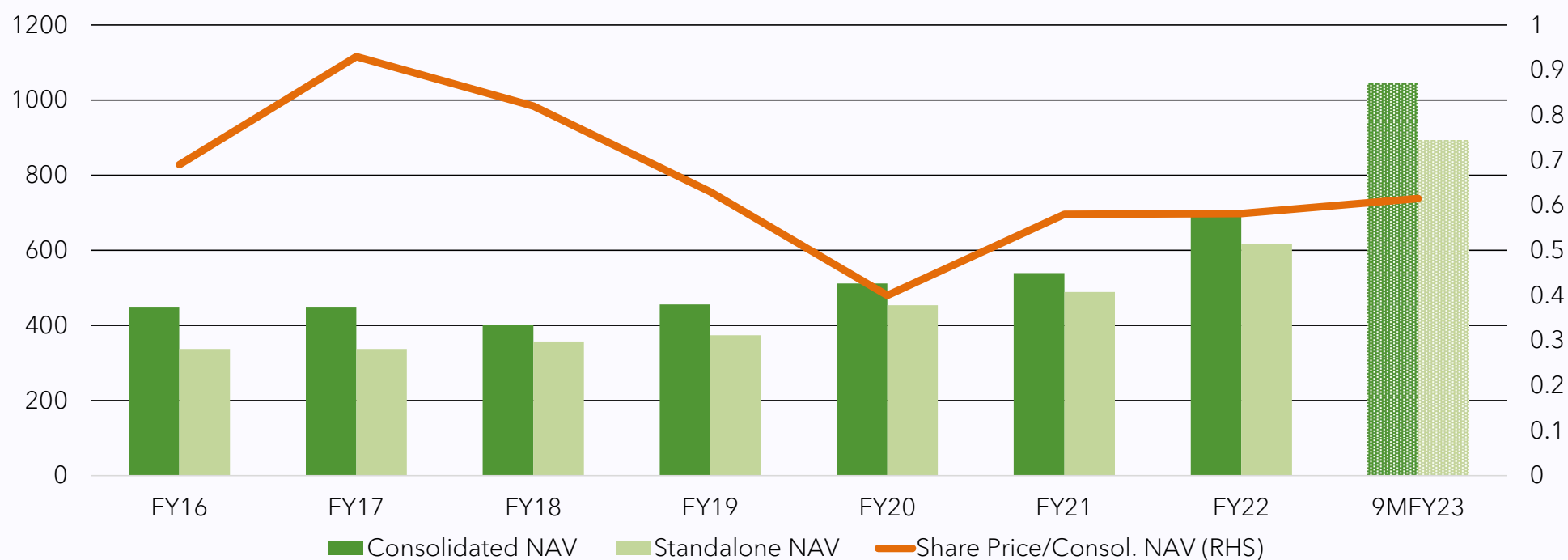
COUNTER CYCLICAL INVESTMENTS GENERATED STRONG CASH FLOWS

USD Mn



SHARE PRICE TO CONSOLIDATED NAV

INR/Share



* For 9MFY23 we have taken share price as on 31st January 2023

GREAT EASTERN CSR FOUNDATION

GECSRF supports NGOs working under health, education and livelihoods



CURRENT PARTNERS

EDUCATION



HEALTH



LIVELIHOODS



INITIATIVES ON ENVIRONMENT

- Reduced our annual CO2 emissions by about 40,000 tons between FY2019 and FY2022, by investing in various energy saving technologies.
- Created an ESG profile of our company based certain ESG metric. The profile is available on our website under "SUSTAINABILITY" tab
- 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.

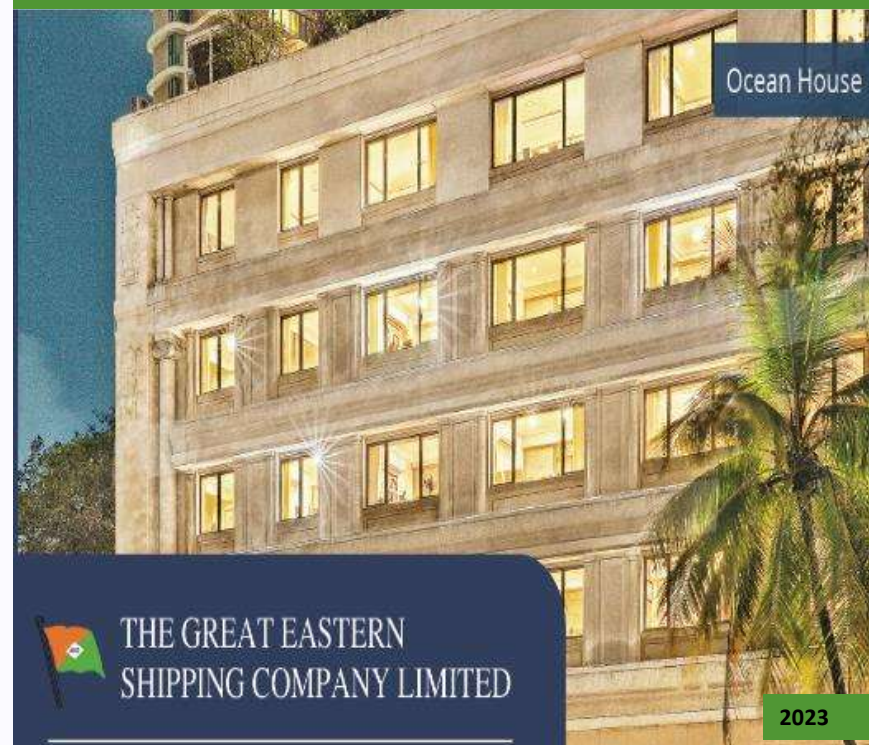
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